

TOWN OF HALTON HILLS – GENERAL INFORMATION PACKAGE

COUNCIL MEETING – September 6, 2022

ADVISORY/SPECIAL COMMITTEES AND BOARD MEETING MINUTES

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| 31-32 | HALTON HILLS FIRE DEPARTMENT – Superior Tank Shuttle Accreditation Memorandum (August 8, 2022) |
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GENERAL CORRESPONDENCE CONTINUED

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| 341-343 | AMO – WatchFile (July 21, 2022) |
| 344-346 | AMO – WatchFile (July 14, 2022) |
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| 350-351 | AMO – WatchFile (June 30, 2022) |

PASSED RESOLUTIONS

| PAGE | INFORMATION |
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| 352-379 | HALTON REGION – Resolution passed at its Council meeting held on July 13, 2022 regarding 2021 State of Housing Report. |
| 383-387 | HALTON REGION – Resolution passed at its Council meeting held on July 13, 2022 regarding 2021 Transportation Progress Report. |
| 388-418 | HALTON REGION – Resolution passed at its Council meeting held on July 13, 2022 regarding 2021 Employment Survey Results. |
| 419-436 | HALTON REGION – Resolution passed at its Council meeting held on July 13, 2022 regarding Update on COVID-19 Public Health Recovery. |
| 437-446 | HALTON REGION – Resolution passed at its Council meeting held on July 13, 2022 regarding Regional Initiatives - Provincial Streamline Development Approval Fund. |
| 447-457 | HALTON REGION – Resolution passed at its Council meeting held on July 13, 2022 regarding Halton Tree By-Law and Woodlands Stewardship Program – 2021 Annual Report. |
| 458-465 | HALTON REGION – Resolution passed at its Council meeting held on July 13, 2022 regarding Declaration of Lands Surplus to Regional Requirements, Town of Halton Hills, 8010 Tenth Line. |
| 466-473 | HALTON REGION – Resolution passed at its Council meeting held on July 13, 2022 regarding Red Light Camera Program Updates. |
| 474-479 | HALTON REGION – Resolution passed at its Council meeting held on July 13, 2022 regarding Amendments to the Uniform Traffic Control By-law No. 1984-1. |

PASSED RESOLUTIONS CONTINUED

| PAGE | INFORMATION |
|-------------|---|
| 480-558 | HALTON REGION – Resolution passed at its Council meeting held on June 15, 2022 regarding Regional Official Plan Review – Policy Directions Report. |
| 559-587 | HALTON REGION – Resolution passed at its Council meeting held on June 15, 2022 regarding Recommendation Report - Regional Official Plan Amendment No. 49 – “An Amendment to Implement the Integrated Growth Management Strategy”. |
| 588-656 | HALTON REGION – Resolution passed at its Council meeting held on June 15, 2022 regarding Recommendation Report – Regional Official Plan Amendment No. 51 – “Milton Education Village Complementary Greenbelt Lands Policy Area”. |
| 657-660 | HALTON REGION – Resolution passed at its Council meeting held on June 15, 2022 regarding 2022 Debenture Issuance. |
| 661-668 | TOWN OF OAKVILLE – Resolution passed at its Council meeting held on June 20, 2022 regarding Notice of Motion re: GTA West Corridor (Highway 413). |
| 669 | TOWN OF OAKVILLE – Resolution passed at its Council meeting held on April 25, 2022 regarding Halton Digital Access Strategy – 5G Wireless Technology. |
| 670-671 | CITY OF MISSISSAUGA – Resolution passed at its Council meeting held on July 6, 2022 regarding Draven Alert. |
| 672 | TOWNSHIP OF BONFIELD – Resolution passed at its Council meeting held on July 12, 2022 regarding Draven Alert. |
| 673-674 | MUNICIPALITY OF SHUNIAH – Resolution passed at its Council meeting held on June 12, 2022 regarding Support for the Draven Alert. |
| 675-676 | MUNICIPALITY OF SHUNIAH – Resolution passed at its Council meeting held on August 9, 2022 regarding Support for Kiera’s Law. |
| 677-678 | MUNICIPALITY OF SHUNIAH – Resolution passed at its Council meeting held on June 28, 2022 regarding Support for Release of All Federal and Provincial Documents Related to the Former Mohawk Institute Residential School. |
| 679 | MUNICIPALITY OF SHUNIAH – Resolution passed at its Council meeting held on May 24, 2022 regarding Community Schools Alliance Action Plan and Social and Economic Impact for Small Communities in Ontario Study. |

PASSED RESOLUTIONS CONTINUED

| PAGE | INFORMATION |
|-------------|--|
| 680 | MUNICIPALITY OF SHUNIAH – Resolution passed at its Council meeting held on May 24, 2022 regarding Support for Funding Support for Infrastructure Projects – Bridge and Culvert Replacements in Rural Municipalities. |
| 681-684 | TOWNSHIP OF NORTH DUMFRIES – Resolution passed at its Council meeting held on June 27, 2022 regarding Resolution received from the City of Cambridge, regarding Ontario Must Build it Right the First Time. |
| 685-686 | TOWNSHIP OF MATACHEWAN – Resolution passed at its Council meeting held on June 15, 2022 regarding supporting the Inclusion of the Mailing Addresses of Voters on Voter's Lists provided to the candidates. |
| 687-689 | MUNICIPALITY OF TWEED – Resolution passed at its Council meeting held on June 25, 2022 regarding Ontario Wildlife Damage Compensation Program. |
| 690 | TOWNSHIP OF WEST LINCOLN – Resolution passed at its Council meeting held on June 27, 2022 regarding Summary and Implications of Provincial Bill 109: More Homes for Everyone Act, 2022. |
| 691-692 | TOWN OF AURORA – Resolution passed at its Council meeting held on May 24, 2022 regarding Mandatory Firefighter Certification. |
| 693-694 | NIAGARA REGION – Resolution passed at its Council meeting held on May 19, 2022 regarding Motion - Voluntary Russian Sanction Request. |

PROCLAMATIONS

| PAGE | INFORMATION |
|-------------|--|
| 695 | Childhood Cancer Canada Awareness Month September 2022 |
| 696 | 22 nd Annual Child Care Worker & Early Childhood Educator Appreciation Day October 18, 2022 |



HERITAGE HALTON HILLS COMMITTEE MINUTES

Minutes of the Heritage Halton Hills Committee meeting held
on July 26, 2022 Via Zoom.

Members Present: Councillor T. Brown, Chair, R. Denny, C. Donaldson,
S. Frick, M. Rowe, A. Walker, L. Quinlan

Staff Present: B. Parker, Director of Planning Policy; L. Loney, Senior
Heritage Planner; T. Jayaveer, Planner Policy/Development;
D. Chan, Heritage Student

1. CALL TO ORDER

Councillor T. Brown, Chair called the meeting to order at 11:02 a.m.

2. DISCLOSURE OF PECUNIARY/CONFLICT OF INTEREST

There were no disclosures of pecuniary/conflict of interest declared.

3. RECEIPT OF PREVIOUS MINUTES

Recommendation No. HH-2022-0025

THAT the Minutes of the Heritage Halton Hills Committee Meeting held on
June 15, 2022, be received.

CARRIED

4. SCHEDULED ITEMS FOR DISCUSSION

4.a Heritage Property Grant Program Applications

L. Loney provided the committee with an overview of each application by outlining the application details, quotes and anticipated timeline of completion.

- a. 16 George Street (Jacob Kennedy House)
- b. 586 Main Street (Beaumont Mill)
- c. 81 Bower Street (Syndicate Housing HCD)
- d. 98 Confederation Street (Barrett Barn)

Committee discussed the grant applications and R. Denny made the following motion to allocate the surplus of funds equally to each Applicant by distributing an equal percentage of funding to each application.

Staff have been directed by the Committee to determine the amount of funding for each application and communicate this decision with Applicants.

Recommendation No. HH-2022-0026

THAT Heritage Halton Hills recommend that the following applications for the 2022 Heritage Property Grant Program be approved as presented:

- a) 586 Main Street (Beaumont Mill);
- b) 16 George Street (Jacob Kennedy House); and,

AND THAT Heritage Halton Hills recommend that the grant application for the 2022 Heritage Property Grant Program for 81 Bower Street (Syndicate Housing Heritage Conservation District) be approved subject to the condition that the owner provide a formal quote and scope of work including methods and materials to the satisfaction of the Senior Heritage Planner;

AND THAT Heritage Halton Hills recommend that the grant application for the 2022 Heritage Property Grant Program for 98 Confederation Street (Barrett Barn) be approved for the work identified in Phase 1 – Structural (retaining wall, wood frame walls reinforcement and roof framing reinforcement);

AND THAT Heritage Halton Hills allocate the surplus funds equally to each Applicant by distributing an equal percentage of funding to each application.

CARRIED

4.b Updated Research & Evaluation Report – 1 Park Avenue (Old Armoury)

L. Loney provided the Committee with an update on the Research and Evaluation Report noting that an additional site visit was conducted with the property owner and property manager. Additional information was included to the report regarding the interior of the structure.

Recommendation No. HH-2022-0027

THAT Heritage Halton Hills recommend that Council designate the property at 1 Park Avenue under Part IV of the Ontario Heritage Act in accordance with the Research and Evaluation Report for the property as presented by staff.

CARRIED

5. SUB-COMMITTEES AND WORKING GROUPS

NIL

6. CLOSED SESSION

NIL

7. ITEMS TO BE SCHEDULED FOR NEXT MEETING

- Update from attendees of the Heritage Conference

8. ADJOURNMENT

The meeting adjourned at 11:26 a.m.

DOWNTOWN ACTON BIA
BOARD OF MANAGEMENT MEETING
Monday, July 11th, 2022

Online and In-Person Meeting

AGENDA

I. Call to Order

Monica Parker-Galway, Chair, called meeting to order at 6:36pm.

II. Attendance

Present: Monica Parker-Galway. Alex Hilson. Patricia Daleman. Norman Paulsen. Chris Cambouris. Zina Pallister. Nicole Walker. Nancy Wilkes. Rob Smith. Glodeane Brown.
Regrets: SangWon Bak.

III. Declaration of Pecuniary Interests – none.

IV. Approval of Agenda

Motion to approve agenda.

Motion: Norman Paulsen – Acton Motors

Second: Michael Albano – Town of Halton Hills

All in favour.

Motion carried.

V. Adoption of June 13th, 2022, Minutes

Motion: Adoption of June 13th, 2022 Meeting Minutes

Motion: Norman Paulsen – Acton Motors

Second: Michael Albano – Town of Halton Hills

All in favour.

Motion carried.

VI. Grant Update – Glodeane Brown, Town of Halton Hills

Glodeane gives the background of a successful joint grant application undertaken between the Town and the Acton BIA.

There will be weekly meetings with Alex and Glodeane will be attending monthly BIA board meetings.

Mike asked about what the grant could be used for. Glodeane mentions banners, wraps, picnic tables, and the farmers' market, among other things.

Monica asks if students could help design banners. Glodeane says she will look into it.

Patricia asks how the grant will be paid and how it will show on the books. Glodeane gives an explanation.

Glodeane will be attending the September board meeting.

VII. Coordinator's Report – Alex Hilson

Attached after formal minutes.

VIII. Monthly Task Calendar

Attached after formal minutes.

Events

- **Farmers' Market:** So far, so good with continued attendance of about twenty vendors. Having the market the same day as the Erin Market is having a bit of a negative impact with some vendors attending Acton one week and going to Erin the next. Also, being back from the road is not working very well. Zina suggests a large banner across the road where the flags currently are to advertise that the market is open. Nancy suggests balloons at the end of the road. Perhaps a different number of balloons and people can guess what the theme is. Nicole suggests White Tail Bakery as a possible vendor.
- **Leathertown:** Initial registration was slow but there are roughly 96 vendors confirmed at this point. Stages, marketing and town approvals are next to be done. Nicole mentions getting volunteers and that we should advertise that. A Facebook event will be created soon.
- **Canada Day:** Went very well. The balloons and facepainting were particularly well supported.

IX. Beautification

- **Flowers:** Thanks to Norm Paulsen and Alan Kells, Alex's tank is working well. The flowers are looking great so far. Nicole suggests looking into perennials next year. Still need to pay the Flower Shed for planting the flowers.
- **Flags:** They look great. Thanks to Zina. Halton Hills Electrical has been paid. A couple minor fixes need to be made for next year.

X. Treasurer's Report

Alex needs to talk to Cindy to correct where some of the numbers are, namely between Leathertown and Farmers' Market vendor fees.

Motion: Approval of the July Treasurer's Report.

Motion: Norman Paulsen – Acton Motors

Second: Michael Albano – Town of Halton Hills

All in favour.

Motion carried.

XI. Other Business

- **Leave of absence:** Alex will be taking a leave of absence in August so as to run in the municipal election. The board will be meeting separately to create a plan to deal with the change. Mike will be getting additional information from the clerk.
- **Budget meeting:** Will be taking place in September. Patricia asks board members to think of what they want in there.

XII.Adjournment

Meeting was adjourned at 7:53pm.

Motion: Norman Paulsen – Acton Motors

Second: Patricia Daleman – Grant Thornton LLP

All in favour.

Motion Carried.

Next Meeting: Monday, September 12th, 6:30pm

July 11th, 2022

Coordinator's Report

Alex Hilson

- The summer is off to a good start for the BIA.
- Caleb and Tristan, our previous two co-op students finished in late June. We now have Madison and William joining us as Summer Students. Aaron is also joining us as a summer co-op student. The help is well appreciated.
- Our Farmers' Market is holding steady with an average of about twenty vendors a week. It's been challenging with the Erin Market being held the same day and with a smaller event footprint but, overall, it is doing well.
- Just a couple weeks ago, we only had thirty registered vendors with our Leathertown Festival. We now sit at ninety-six. We are still accepting vendors so, if you know anyone, have them contact the BIA. We have a couple things to do for the Town and some work to do with entertainment and marketing, but we are getting close.
- Thanks to the efforts of Economic Development at the Town, we were awarded an \$100,000 Tourism Relief Fund grant through the Halton Hamilton Brant Regional Tourism Association. We have been asked not to advertise that at this point, but we will be soon getting to work. It's a good bonus for our downtown.
- Zina did a great job with our flags, and I have lots of good feedback. There are a couple minor issues we have noticed. They will be fixed at the end of the season or whenever convenient.
- With Norm and Alan Kells at Neutrino's help, we have been able to get a much-improved watering set-up this year. Hopefully, you have noticed the improvement compared to last year. Even with the hot weather, our flowers are standing up.
- The window boxes we built for the bridge south on Main Street are also looking great. Drive by and take a look, if you haven't.
- We had an excellent Canada Day event. First time in a couple years. The face painting and balloons were particularly well liked, as was the cake.
- With the additional help, we are starting to post more regularly on social media. We have been keeping to a post a day. We're hoping to maintain this pace.
- We have also fully updated the Downtown Acton website again. As always, if you notice your business listing is out of date in any way, let us know and we'll fix it.

July 2022

| Sun | Mon | Tue | Wed | Thu | Fri | Sat |
|-----|-----------------------------------|--------------------------------------|------------------------|----------------|-----------------------------------|-----|
| | | | | | 1 Canada Day | 2 |
| 3 | 4 | 5 - Town Check-in, Tourism | 6 - ABC Meeting | 7 - Market | 8 - Leathertown Check-In | 9 |
| 10 | 11 - BIA Board Meeting | 12 - Town Check-in, Tourism | 13 | 14 - Market | 15 | 16 |
| 17 | 18 - Leathertown Meeting | 19 - Town Check-in, Tourism | 20 - ABC Meeting | 21 - Market | 22 | 23 |
| 24 | 25 | 26 - Town Check-in, Tourism | 27 | 28 - Market | 29 | 30 |
| 31 | | | | | | |

**Flowers are watered everyday as possible and appropriate.*

| TASK / PROJECT: | DEADLINE: |
|---|---|
| Planning and Coordination of Farmers Market preparation, permits and Vendor applications | Current / Ongoing |
| Keep garden beds weeded. | Ongoing |
| Cut grass. | Ongoing |
| Pay WSIB Premium. | By mid-July |
| Beautification Progress: Coordinate with Town on installation of garbage cans etc. *Make TIMELINE of Deliveries / Installs | Garbages to be installed as soon as possible |
| Organize intermodal container for easy use. | A.S.A.P. / Ongoing |
| Organize the office to be tidy and visitor friendly for any meetings or drop-ins. To be kept as a professional looking office space. | A.S.A.P. / Ongoing |
| Create and implement a Monthly Events Calendar of promotions and events. Include weekly BIA Promotional incentives that reward BIA Bucks for participation. Advertise promos to social media. | Ongoing. Weekly promotions can be logo scavenger hunts, photo ops, etc. |
| Assign tasks to Co-op and Summer Students | Everyday |
| Get BIA Materials to board and business members. | At least five days before the next board meeting. |
| Add Monthly Task Calendar as an item of discussion to Monthly BIA Meeting Agenda | Monthly |
| Prepare for Leathertown. | Ongoing until event. |
| Water Flowers. | Daily or as required from when they are planted. |
| Canada Day event. Plan for July 1 st . | Ongoing to July |
| Communicate any COVID guidance from other levels of government. | Ongoing. |
| Send BIA Board Meeting Minutes to Town and Membership. | By end of week that meeting takes place. |
| Concrete Pad Project. Check in with Town. Finish paperwork. Get quotes. | Ongoing |
| | |
| BIA social media presence. | Ongoing. |
| | |
| Coordinate grant with town. | Ongoing until end of year. |
| | |
| ABC Committee | Fulfill committee roles as required. |



COMMITTEE OF ADJUSTMENT MINUTES

Minutes of the Committee of Adjustment hearing held on **July 6, 2022**, at 6 p.m. via Zoom.

Members Present: Todd Jenney (Chair), Jane Watson, Lloyd Hillier, Neal Panchuk, Thomas Hill

Staff Present: John McMulkin, Senior Planner
Ruth Conard, Planner
Tharushe Jayaveer, Planner
Greg Macdonald, Senior Planner
Niloo Hodjati, Secretary-Treasurer, Committee of Adjustment & Consent Official

1. CALL TO ORDER

2. DISCLOSURE OF PECUNIARY/CONFLICT OF INTEREST

None.

3. APPLICATIONS HEARD

The Chair's comments about the procedure were as follows:

- Town staff would speak.
- Owner or agent would be given an opportunity to speak.
- Any members of the public would be given an opportunity to speak (owner or agent would have an opportunity to respond, if needed).
- The Committee would then deliberate, ask any questions, and make a decision.
- A decision would be subject to a 20 day appeal period.

a) D13VAR22.019H - Cervini

Location: 43 Barraclough Boulevard, Town of Halton Hills (Glen Williams), Regional Municipality of Halton

Purpose: Requesting relief from Zoning By-law 2010-0050, as amended,

1. To increase the total floor area for all accessory structures from the maximum 20 sq m to permit a total floor area of 35 sq m.

To accommodate a proposed accessory structure.

Owner(s): Rocco & Miranda Cervini, **Agent:** Sean Hannan, Unique Hardscapes

The Town Planner noted no staff objections to approval, subject to condition(s). The agent and owner were present to speak to the application.

It was MOVED by Jane Watson, SECONDED, and CARRIED

THAT the application be approved, subject to condition(s).

The Committee considered the requested variance(s) to:

1. Meet the intent and purpose of the Official Plan.
2. Meet the intent and purpose of the Zoning By-law.
3. Be desirable for the appropriate use of the land, building or structure.
4. Be minor in nature.

b) Minor Variance Minor Variance D13VAR22.020H – Millington

Location: 12889 15 Side Road, Town of Halton Hills (Georgetown), Regional Municipality of Halton

Purpose: Requesting relief from Zoning By-law 2010-0050, as amended,

1. To increase the floor area for an accessory structure from the maximum 40 sq m to permit a floor area of 62.5 sq m.
2. To increase the total floor area for all accessory structures from the maximum 60 sq m to permit a total floor area of 75 sq m.
3. To increase the driveway width from the maximum 7 m to permit a driveway width of 8.54 m.

To accommodate a proposed detached garage.

Owner(s): Daniel Millington & Matthew George

The Town Planner referenced a correction to the condition listed in the staff report (wrong structure was listed), and noted no staff objections to approval, subject to condition(s). The owner was present to speak to the application.

It was MOVED by Lloyd Hillier, SECONDED, and CARRIED

THAT the application be approved, subject to condition(s).

The Committee considered the requested variance(s) to:

1. Meet the intent and purpose of the Official Plan.
2. Meet the intent and purpose of the Zoning By-law.
3. Be desirable for the appropriate use of the land, building or structure.
4. Be minor in nature.

c) Minor Variance D13VAR22.021H – Watch Tower

Location: 13893 Highway 7, Town of Halton Hills (Esquesing), Regional Municipality of Halton

Purpose: Requesting relief from Zoning By-law 2010-0050, as amended,

1. To increase the height for an accessory structure from the maximum 4.5 m to permit a height of 7.4 m.
2. To increase the floor area for an accessory structure from the maximum 50 sq m to permit a floor area of 161 sq m.
3. To increase the number of accessory structures from the maximum 2, to permit 8 existing and 1 proposed accessory structure(s).

To accommodate a proposed accessory structure.

Owner(s): Watch Tower Bible and Tract Society of Canada, Justin Noseworthy, **Agent(s):** Korsiak Urban Planning, Alison Bucking

The Town Planner referenced a correction to the description portion of the staff report (wrong proposal was listed) and addressed a received objection from 77 Joselyn Crescent regarding views, and internet and cell blockers. Responded that views would not be impacted as the building will be built far away from the road, blockers are not present, and that the homeowner was advised to contact their cell and internet provider(s). Noted no staff objections to approval. The agent and owner were present to speak to the application.

Committee deliberations included: phones working properly while on the property during the site visits/phone tour.

It was MOVED by Todd Jenney, SECONDED, and CARRIED

THAT the application be approved.

The Committee considered the requested variance(s) to:

1. Meet the intent and purpose of the Official Plan.
2. Meet the intent and purpose of the Zoning By-law.
3. Be desirable for the appropriate use of the land, building or structure.
4. Be minor in nature.

d) Minor Variance D13VAR22.022H – Mold-Masters

Location: 221 Guelph Street, Town of Halton Hills (Georgetown), Regional Municipality of Halton

Purpose: Requesting relief from Zoning By-law 2010-0050, as amended,

1. To permit an accessory structure to be built closer to the front lot line (4.3 m) than the main building from the front lot line (30.28 m).

To accommodate a proposed shelter for the skate park.

Owner(s): Town of Halton Hills, Mark Taylor

The Town Planner noted no staff objections to approval, subject to condition(s). The owner was present to speak to the application.

It was MOVED by Todd Jenney, SECONDED, and CARRIED

THAT the application be approved, subject to condition(s).

The Committee considered the requested variance(s) to:

1. Meet the intent and purpose of the Official Plan.
2. Meet the intent and purpose of the Zoning By-law.
3. Be desirable for the appropriate use of the land, building or structure.
4. Be minor in nature.

e) Minor Variance D13VAR22.023H – Canadian Property Holdings

Location: 315 Guelph Street, Town of Halton Hills (Georgetown), Regional Municipality of Halton

Purpose: Requesting relief from Zoning By-law 2010-0050, as amended,

1. To reduce the required parking spaces from the minimum 586 to permit 439 parking spaces.

To accommodate an expansion to the existing retail use.

Owner(s): Canadian Property Holdings (Ontario) Inc., Evan Williams, **Agent:** IBI Group, Tracy Tucker

The Town Planner noted no staff objections to approval. The agent was present to speak to the application.

Committee deliberations included: the abundance of available parking at the site.

It was MOVED by Todd Jenney, SECONDED, and CARRIED

THAT the application be approved.

The Committee considered the requested variance(s) to:

1. Meet the intent and purpose of the Official Plan.
2. Meet the intent and purpose of the Zoning By-law.
3. Be desirable for the appropriate use of the land, building or structure.
4. Be minor in nature.

f) Minor Variance D13VAR22.024H – Fourth Dimension

Location: 66 Main Street North, Town of Halton Hills (Acton), Regional Municipality of Halton

Purpose: Requesting relief from Zoning By-law 2010-0050, as amended,

1. To permit a 2.75 m x 5.5 m standalone space, whereas the by-law permits parking on a driveway providing direct access to a private garage or carport.

To accommodate a proposed parking space for the existing dwelling.

Owner(s): Fourth Dimension Contracting Inc., Ahmed Abdeljalil, **Agent:** Professional Floor Plans Inc., Raed Al-Rawi

The Town Planner noted no staff objections to approval, subject to condition(s). The agent was present to speak to the application.

It was MOVED by Lloyd Hillier, SECONDED, and CARRIED

THAT the application be approved, subject to condition(s).

The Committee considered the requested variance(s) to:

1. Meet the intent and purpose of the Official Plan.
2. Meet the intent and purpose of the Zoning By-law.
3. Be desirable for the appropriate use of the land, building or structure.
4. Be minor in nature.

g) Minor Variance D13VAR22.025H – Jarmoszka

Location: 140 Rexway Drive, Town of Halton Hills (Georgetown), Regional Municipality of Halton

Purpose: Requesting relief from Zoning By-law 2010-0050, as amended,

1. To reduce the side yard setback for a second storey, from the minimum 1.8 m to permit a side yard setback of 1.67 m (west).

To accommodate the as-built dwelling under construction.

Owner(s): Slawomir Jarmoszka

The Town Planner stated that the surveyor used the incorrect drawings, creating the need for a variance of 13 cm; and noted no staff objections to approval, subject to condition(s). The owner was present to speak to the application.

It was MOVED by Lloyd Hillier, SECONDED, and CARRIED

THAT the application be approved, subject to condition(s).

The Committee considered the requested variance(s) to:

1. Meet the intent and purpose of the Official Plan.
2. Meet the intent and purpose of the Zoning By-law.
3. Be desirable for the appropriate use of the land, building or structure.
4. Be minor in nature.

4. ADJOURNMENT

Adjourned at approximately 6:45 p.m.



COMMITTEE OF ADJUSTMENT MINUTES

Minutes of the Committee of Adjustment hearing held on **June 1, 2022**, at 6 p.m. via Zoom.

Members Present: Todd Jenney (Chair), Jane Watson, Lloyd Hillier, Neal Panchuk, Thomas Hill

Staff Present: John McMulkin, Planner
Ruth Conard, Planner
Tharushe Jayaveer, Planner
Niloo Hodjati, Secretary-Treasurer, Committee of Adjustment & Consent Official

1. CALL TO ORDER

2. DISCLOSURE OF PECUNIARY/CONFLICT OF INTEREST

None.

3. APPLICATIONS HEARD

The order of the listed applications as shown on the agenda was altered.

The Chair's comments about the procedure were as follows:

- Town staff would speak.
- Owner or agent would be given an opportunity to speak.
- Any members of the public would be given an opportunity to speak (owner or agent would have an opportunity to respond, if needed).
- The Committee would then deliberate, ask any questions, and make a decision.
- A decision would be subject to a 20 day appeal period.

b) Minor Variance D13VAR22.015H – Bhullar

Location: 244 Main Street South, Town of Halton Hills (Acton), Regional Municipality of Halton

Purpose: Requesting relief from Zoning By-law 2010-0050, as amended,

1. To permit the construction of a new detached dwelling, whereas the By-law only permits existing buildings, structures, and additions to existing single detached dwellings.

To accommodate a proposed new detached dwelling.

Owner(s): Abhai Singh Bhullar, **Agent:** Stonecrest Engineering, Bram Van den Heuvel

The Secretary-Treasurer noted that there are outstanding matters (per the Planning report) that need to be addressed with the Region and Credit Valley Conservation, and as such, Town staff are recommending that the decision for this application be deferred. The agent had concurred.

It was MOVED by Todd Jenney, SECONDED, and CARRIED

THAT the decision for the subject application be deferred.

a) Minor Variance D13VAR22.014H – Klutt

Location: 23 Norton Crescent, Town of Halton Hills (Georgetown), Regional Municipality of Halton

Purpose: Requesting relief from Zoning By-law 2010-0050, as amended,

1. To increase the floor area for a detached garage from the maximum 40 sq m to permit a floor area of 78.3 sq m.
2. To increase the height for a detached garage from the maximum 4.5 m to permit a height of 5.15 m.
3. To reduce the side yard setback from the minimum 1 m, to permit a side yard setback of 0.91 m (detached garage).

To accommodate a proposed detached garage.

Owner(s): Andrew Klutt, **Agent:** Matthews Design & Drafting, Doug Matthews / Bethany VanRavens

The Town Planner noted no staff objections to approval, subject to condition. The agent was present to speak to the application.

It was MOVED by Thomas Hill, SECONDED, and CARRIED

THAT the application be approved, subject to condition.

The Committee considered the requested variance(s) to:

1. Meet the intent and purpose of the Official Plan.
2. Meet the intent and purpose of the Zoning By-law.
3. Be desirable for the appropriate use of the land, building or structure.
4. Be minor in nature.

d) Minor Variance D13VAR22.017H – Pozderka

Location: 10 Blue Mountain Place, Town of Halton Hills (Silvercreek), Regional Municipality of Halton

Purpose: Requesting relief from Zoning By-law 2010-0050, as amended,

1. To increase the height for an accessory structure from the maximum 4.5 m to permit a height of 5.7 m.
2. To increase the floor area for an accessory structure from the maximum 60 sq m to permit a floor area of 96.7 sq m.
3. To increase the total floor area for all accessory structures from the maximum 80 sq m to permit a total floor area of 120.5 sq m.

To accommodate a proposed accessory structure.

Owner(s): Laszlo Pozderka, **Agent:** Hull Drafting & Development, Lonny Gibson

The Town Planner noted no staff objections to approval, subject to condition. The owner was present to speak to the application.

It was MOVED by Todd Jenney, SECONDED, and CARRIED

THAT the application be approved, subject to condition.

The Committee considered the requested variance(s) to:

1. Meet the intent and purpose of the Official Plan.
2. Meet the intent and purpose of the Zoning By-law.
3. Be desirable for the appropriate use of the land, building or structure.
4. Be minor in nature.

c) Minor Variance D13VAR22.016H – Otel Enterprises Inc.

Location: 222 Mountainview Road North, Town of Halton Hills (Georgetown), Regional Municipality of Halton

Purpose: Requesting relief from Zoning By-law 2010-0050, as amended,

1. To increase the height for a building from the maximum 11 m to permit a height of 16 m.

To accommodate a proposed addition to the existing building.

Owner(s): Otel Enterprises Inc., Christoph Summer, **Agent:** Wellings Planning Consultants Inc., Glenn Wellings

Oral Submissions:

- Helen Kwan & Zoran Tasevski, 24 Anderson Court
- Kerry Leanne Muscat, 38 Meadowglen Boulevard

The Town Planner referenced received objections from 40 Meadowglen Boulevard, 24 Anderson Court, and 38 Meadowglen Boulevard, noting issues with privacy, landscaping, lighting, and parking; responded that trees can be planted, lighting can be addressed, and there are no parking deficiencies; noted no staff objections to approval.

The agent, owner, and David McLagan (Robert J. Dyck Architect & Engineer Inc.) were present to speak to the application. The agent noted that permissions for the subject development were in place prior to the surrounding houses being built, and noted he would work with staff to resolve some of the issues raised by the public.

Helen Kwan & Zoran Tasevski spoke against the application, and noted concerns including privacy, permanent shading, balconies, trees, and lighting. The Town Planner responded that terraces and balconies are not part of the application, some lights can be turned off at night, and additional trees will be planted. Also noted that staff would work with the homeowners and agent to address the issues.

Kerry Leanne Muscat spoke against the application noting issues with parking. The Town Planner responded that a parking variance was not needed.

It was MOVED by Thomas Hill, SECONDED, and CARRIED

THAT the application be approved.

The Committee considered the requested variance(s) to:

1. Meet the intent and purpose of the Official Plan.
2. Meet the intent and purpose of the Zoning By-law.
3. Be desirable for the appropriate use of the land, building or structure.
4. Be minor in nature.

e) Minor Variance Minor Variance D13VAR22.018H – Pena

Location: 30 Spruce Boulevard, Town of Halton Hills (Acton), Regional Municipality of Halton

Purpose: Requesting relief from Zoning By-law 2010-0050, as amended,

1. To reduce the required rear yard setback for a deck with a height of 0.6 m or greater above grade from the minimum 3 m to permit 0 m.
2. To reduce the required side yard setback for a deck with a height of 0.6 m or greater above grade from the minimum 0.6 m on one side to permit 0 m (east).
3. To reduce the required side yard setback for a deck with a height of 0.6 m or greater above grade from the minimum 1 m on one side to permit 0 m (west).

To accommodate an existing deck around the pool.

Owner(s): Jason Pena & Joanna Waugh

Oral Submissions:

- Rosemary Wilson, 150 Acton Boulevard
- Wendy Filipozzi, 152 Acton Boulevard
- Hrvoje Fabek, 185 Acton Boulevard
- Craig Samson, 187 Acton Boulevard

The Town Planner referenced received objections from 152 Acton Boulevard, 144 Acton Boulevard, 150 Acton Boulevard, 142 Acton Boulevard, and 146 Acton Boulevard, noting issues with noise, and privacy (noise complaints would need to go through By-law Enforcement, and to address privacy, the raised platform would be lowered to match the existing deck and concrete pad). Also referenced received support from 26 Spruce Boulevard, 185 Acton Boulevard, 187 Acton Boulevard, and 15 Spruce Boulevard. Recommended an additional condition related to a privacy screen, and noted no staff objections to approval, subject to conditions.

The owner was present to speak to the application and noted his agreement with the report.

Rosemary Wilson spoke against the application noting concerns with privacy, and the raised platform.

Wendy Filipozzi spoke against the application, but noted she was ok with the changes.

Hrvoje Fabek spoke in support of the application.

Craig Sampson spoke in support of the application.

Committee deliberation included: height of the fence, safety, Site Alteration Permit, and a permanent privacy screen.

It was MOVED by Todd Jenney, SECONDED, and CARRIED

THAT the application be approved, subject to conditions.

The Committee considered the requested variance(s) to:

1. Meet the intent and purpose of the Official Plan.
2. Meet the intent and purpose of the Zoning By-law.
3. Be desirable for the appropriate use of the land, building or structure.
4. Be minor in nature.

4. ADJOURNMENT

Adjourned at approximately 7:30 p.m.



**MINUTES OF THE
ACTIVE TRANSPORTATION COMMITTEE**

May 31, 2022

Minutes of the Active Transportation Committee meeting held on
Tuesday May 31, 2022 Via Zoom

Members Present: Councillor J. Fogal, Chair, Councillor W. Farrow-Reed,
Councillor C. Somerville, R. Hendry, C. Lenz, G. Price-Jones, A.
Sommer, S. Suprina, A. Stiehl, A. Welter

Regrets: S. Suprina

Staff Present: I. Drewnitski, Transportation Planning Technologist; M. Taylor,
Senior Landscape Architect; M. Lawr, Deputy Clerk

1. CALL TO ORDER

Councillor J. Fogal, Chair called the meeting to order at 7:02 p.m.

2. DISCLOSURE OF PECUNIARY/CONFLICT OF INTEREST

There were no disclosures of conflict or pecuniary interests

3. RECEIPT OF PREVIOUS MINUTES

Recommendation No. ACT-2022-0005

THAT the Minutes of the Active Transportation Committee Meeting held on
March 29, 2022 be received.

CARRIED

4. SCHEDULED ITEMS FOR DISCUSSION

4.a Active Transportation Project Updates

I. Drewnitski provided updates on the following projects:

- The implementation of phase 2 of cycling infrastructure along Maple Ave from Trafalgar Road to Main Street. This project will incorporate active transportation facilities along Maple Avenue. Bike lane pavement markings and island removals forecasted to proceed in 2022/2023.
- The rehabilitation of Mountainview Road bridge over Hungry Hollow to provide a safe and reliable level of service for transportation and active transportation. New parapet railing (bike height) and new surface for MUP. A. Stiehl had questions regarding the layout of this project, I. Drewnitski will bring forward details of this project to the next meeting.
- The resurfacing of Mountainview Road from Maple Avenue to John Street. This project will incorporate active transportation facilities along Mountainview Road. Asphalt resurfacing with addition of edge line pavement markings forecast to proceed in 2022/2023.
- The Sargent Road (Mountainview Road South to Delrex Boulevard) project will include Sharrows symbols and white edge lines for parking/cycling. Forecast to proceed in 2022/2023.
- The Maple Avenue (Mountainview Road South to River Drive) project will include Sharrows symbols to enhance cyclists' safety. Forecast to proceed in 2022/2023.
- As part of the 2022 program, Public Works will install a sidewalk connection on the north side of Eastern Avenue between Metrolinx's railway tracks and Young Street.
- Pedestrian Crossovers Type Level 2 B with flashers and signs over the road will be installed at Maple Avenue and Gilmer Court (July/August) and Main Street South and Arborglen Drive (Fall).
- Pedestrian Crossovers Type Level 2 D with signs only will be installed at Moore Park Crescent and Joycelyn Crescent (July/August) and Robinson Road between Bowman Street and Orchid Avenue (July/August).
- A new multiuse asphalt pathway will be installed on the west side of Sinclair Avenue from Guelph Street to Duncan Drive with installation of bike signals at the intersection of Guelph and Sinclair. Construction is to commence in June/July to be completed by October 2022. The installation of the multi-use pathway on the west side of Sinclair Avenue will connect the existing multi-use pathways on Sinclair Avenue between Mountainview Road South and Armstrong Avenue. A. Stiehl noted that there is not currently signage along Armstrong.

- 22 Side Road Hwy 7 to Limehouse (50m east of Elizabeth)
Widening of the existing road to allow for a paved shoulder for AT with addition of edge line pavement markings. Construction is underway to be completed by July 2022.
- Bike lanes added to Tanners Drive (carry over) from Churchill Road North to Churchill Road South, scheduled for June.
- G. Price-Jones suggested signage be added to Barber Drive. I. Drewnitski will pass this along to Public Works.
- Councillor C. Somerville noted that Trafalgar Road, Winston Churchill, Eighth, Ninth and Tenth Line will need to consider active transportation aspects before construction gets going too much.
- Councillor J. Fogal advised that there is a PIC for Eighth Line on Monday and committee members can get more information on this on Let's Talk Halton Hills.

I. Drewnitski provided an update on Bike Month:

- Bike Month is being promoted on the Town's social media channels
- I. Drewnitski has done outreach with the library and the Recreation and Parks department
- There will be another series of 8 safety webinars, links will be emailed out to this committee and the Bike It sub-committee
- Bookmarks have been made for the libraries with Bike Month information on it
- Councillor J. Fogal has been promoting Bike Month through trustees of the School Boards
- Halton Region has the most schools registered in the GTHA for Bike to School week
- I. Drewnitski has been working with Youth Centre coordinators for the promotion of Bike Month. They have started a competition with youth to bike over to the centres to win prizes.
- Bike rack program: I. Drewnitski has been working with the Bennett Centre to install a bike rack and will be working with businesses to distribute bike racks to continue to promote cycling.
- Councillor J. Fogal commended staff on the promotion of Bike Month and Bike to School week.

Hungry Hollow Boardwalk:

- The committee discussed the new boardwalk area in Hungry Hollow. M. Taylor advised that the contractor has been hired for the last section to get installed. Construction should start late June and should be completed late fall of this year.
- A. Stiehl inquired about limestone screening at Cedarvale between Maple Avenue and the cottage. M. Taylor noted that there is not a plan currently to install limestone screening but will take it back and add to budget discussions for next year.
- Councillor J. Fogal noted that A. Stiehl raised the idea of having local artists paint on the columns under Mountainview Bridge in Hungry Hollow. Councillor J. Fogal advised that staff have toured the area and are looking into funding that can be applied to this project. Permits would need to be acquired.

5. SUB-COMMITTEES AND WORKING GROUPS

5.a Bike It Sub-Committee

Councillor J. Fogal provided an update on the Bike It sub-committee events.

- Bike Swap – Held during the Earth Day event hosted at the Public Works yard. The Bike Swap made over \$3000.00 to donate to the food banks (Georgetown and Acton).
- Loop Ride – The event was attended by 30 riders. The loops started out of the Gellert.
- Bike It to the Market – Councillor J. Fogal asked for committee members to reach out if they are looking to volunteer. I. Drewnitski noted that Bike it to Market event information was included in the Recreation and Parks newsletter. I. Drewnitski will add this event to the Bike Month promotion.

Recommendation No. ACT-2022-0006

THAT the following Minutes are hereby adopted:

1. Bike It Committee minutes dated April 14, 2022.

CARRIED

6. ITEMS TO BE SCHEDULED FOR NEXT MEETING

- Update on details of project: Rehabilitation of Mountainview Road bridge over Hungry Hollow

7. ADJOURNMENT

The meeting adjourned at 7:45 p.m.



Our Family Protecting Your Family

MEMORANDUM

TO: Mayor and Members of Council

CC: Chris Mills, CAO

FROM: Fire Chief Jon Rehill

DATE: August 8, 2022

RE: Superior Tanker Shuttle Accreditation

Accredited Superior Tanker Shuttle Service is a recognized equivalency to fire hydrant protection. To be accredited, fire departments must commit to maintaining a high standard of organization, and practice delivering the service regularly. The fire department must be able to show through testing and documentation that it can continuously provide water supplies in excess of the minimum required for municipal-type hydrant water supplies.

To be recognized for Accredited Superior Tanker Shuttle Service, the system of delivery of water supplies must be well-designed and well-documented. The system of delivery must meet all the requirements specified for Standard Tanker Shuttle Service and must exceed the requirements in several key areas:

- The fire department must be able to prove through testing that the specified requirements of Superior Tanker Shuttle Service can be met.
- For personal lines insurance, the fire department must be able to deliver a flow rate of not less than 950 LPM (200 IGPM) within 5 minutes of arriving at the test site with the first major piece of apparatus (wheel stop).
- The volume of water available for firefighting must be adequate to sustain the accredited flow rate for a duration in accordance with the Fire Underwriters Survey Water Supplies for Public Fire Protection

The Superior Tanker Shuttle Accreditation test, administer by Insurers' Advisory Organization staff, forms part of the Fire Underwriters Survey Rating for our municipality. On June 21st, 2022, the Halton Hills Fire Department conducted a

simulated test of its ability to shuttle water to a rural emergency. Representatives from the Fire Underwriters Survey were in attendance to monitor the test procedure and validate the results. As a result, the Halton Hills Fire Department has again received the Superior Tanker Shuttle Accreditation which remains valid for a 5-year period.

Successful completion of the test confirms the Halton Hills Fire Department's ability to effectively transport water to fire incident scenes throughout our community. For those residents within 8km of a station, it means at least 900 liter/minute of water can be transported and applied to a fire. This is equivalent to the flow from two 45mm attack hose lines – in many instances what is required to effectively bring a typical house fire under control.

This Accreditation clearly demonstrates the fire department's commitment to the continued protection of our community.



Jon Rehill
Commissioner & Fire Chief

AUG 10 2022

OntarioSheep FARMERS

On behalf of Ontario's 2700 sheep farmers, I am reaching out to begin a dialogue with your municipality on the increasing challenge livestock farmers face in dealing with problem predators, and the role that Livestock Guardian Dogs (LGD) and your municipal dog control bylaws play in helping our farmers protect their sheep.

Problem predators are an increasing challenge and cost for Ontario livestock farmers requiring considerable effort and resources on the part of farmers and the Ontario Sheep Farmers (OSF). The financial cost of predation not only costs farmers, in terms of preventative measures, such as fencing and LGD; it also costs Ontario taxpayers, with the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA) paying farmers over \$717,000 in the 2021 FY for losses of livestock caused by wildlife. This cost does not include the cost borne by municipalities and OMAFRA in sending investigators out to farms and administering the program. Nor does this cover the costs of veterinarians to help those maimed by predators to recover, the production losses of animals who are stressed from predation and the mental health toll predation takes on the farmer. Without being able to properly protect livestock from predation, taxpayers should expect to see an increased incidence of predation and increased costs.

Livestock guardian animals are one of the most common forms of predation prevention control used by Ontario sheep producers. These include Livestock Guardian Dogs (LGDs), donkeys, and llamas, with LGD being the most popular choice. However, there are instances when municipal by-laws hinder the efficient use of LGDs on farming operations as the by-laws are intended primarily for dogs kept for companionship, breeding, or non-working purposes. We have reviewed work done by several Ontario municipalities where LGDs have been specifically addressed when creating or revising existing by-laws. Below are some of the primary areas of concern and suggested options for consideration by your municipality.

Add Definition of Livestock Guardian Dogs (LGDs) and Herding Dogs to by-laws

We propose that:

"Livestock Guardian Dog" (LGD) be defined as a dog that works and/or lives with domestic farm animals (e.g. cattle, sheep, poultry) to protect them while repelling predators and is used exclusively for that purpose.

"Herding Dog" means a dog that has been trained and is actively being used in a bona fide farming operation for the purposes of controlling livestock on the farm.

There are different breeds of LGDs of which the most popular breeds in Ontario include Great Pyrenees, Akbash, Kuvasz, Maremma and Anatolian Shepherd and crosses between these breeds. Although not an exhaustive list, dogs generally used for herding include Border Collies, Australian Shepherds, Blue & Red Heelers and Huntaways.



OntarioSheep.org

130 Malcolm Road, Guelph, Ontario N1K 1B1 T 519.836.0043 E admin@ontariosheep.org

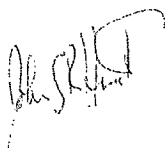
Aggressive/ Dangerous Dog designation

LGD act aggressively and show aggression towards things they view as a threat to the livestock they are protecting. As such, an exemption, like that for police dogs should be considered.

OSF wishes to work cooperatively with you to ensure that municipal bylaws take into consideration the use of LGD when developing their bylaws. We would be pleased to communicate with the appropriate municipal officials to review with you Ontario sheep producers' needs and concerns in this area.

Thank you for your attention to this matter and we look forward to working with you.

Sincerely,



John Hemsted,
Chair



Livestock Guardian Dog use in Ontario

Predation is a significant cost and ongoing threat to sheep flocks in Ontario. Preventative measures are the first line of defense for producers. Livestock Guardian Dogs are one of the most effective preventative measures available because they are actively protecting the flock 24 hours a day, 7 days a week.

Livestock Guardian Dogs have been used in Ontario since the 1960's. Their use has increased in the past 40 years as the province's coyote population has increased and expanded throughout the entire province. Livestock Guardian Dog are now used by a great majority of sheep producers in Ontario to protect their flocks from predation by (primarily) coyotes, but also wolves, bears and other wildlife.

Livestock Guardian Dogs live with the sheep flock.

They provide protection to the flock by patrolling pastures, marking the perimeter of their territory. They also bark, run at, and try to intimidate any threats to the livestock they are protecting, which in this case is sheep.

Barking is one of the primary means by which livestock guardian dogs provide protection to the sheep flock. It is their way of communicating with other canines, and the guarding bark warns predators to avoid the area. Because dogs' sense of smell and hearing are many times more acute than that of humans, they often appear to be "barking" at nothing, when in fact, they hear, or smell something that humans are not able to.

Except perhaps for sheep flocks totally confined to barns with no access to outdoors, very few sheep flocks would survive predation attacks if it weren't for the effectiveness of livestock guardian dogs.

Ontario Sheep Farmers (OSF) considers the use of livestock guardian dogs to provide protection to livestock against predation as a normal farm practice.

The Farm and Food Production Protection Act (administered by Ontario Ministry of Agriculture, Food and Rural Affairs) defines normal farm practice as a farming practice which:

- is consistent with proper, acceptable customs and standards of similar operations; or
- uses innovative technology according to proper, advanced farm management practices.

The Farm and Food Production Protection Act was established to promote and protect agricultural uses and normal farm practices in agricultural areas, in a way that balances the needs of the agricultural community with provincial health, safety and environmental concerns.



OntarioSheep.org

130 Malcolm Road, Guelph, Ontario N1K 1B1 T 519.836.0043 E admin@ontariosheep.org

Credit Valley Conservation Authority
Financial Statements
For the year ended December 31, 2021

Credit Valley Conservation Authority
Financial Statements
For the year ended December 31, 2021

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MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The accompanying financial statements of Credit Valley Conservation Authority (the "Authority") are the responsibility of the Authority's management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of The Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in Note 1 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Authority's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by Management.

Members meet with Management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

The financial statements have been audited by BDO Canada LLP, independent external auditors appointed by the Authority. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Authority's financial statements.

Chair
Tom Adams
April 8, 2022

Vice Chair
Johanna Downey
April 8, 2022



Independent Auditor's Report

To the Members of Credit Valley Conservation Authority

Opinion

We have audited the financial statements of Credit Valley Conservation Authority, (the "Authority") which comprise the statement of financial position as at December 31, 2021, and the statements of operations and accumulated surplus, change in net financial assets (debt) and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Authority as at December 31, 2021, and the results of its operations, changes in net financial assets (debt), and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Authority in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matters

The financial statements of Credit Valley Conservation Authority for the year ended December 31, 2020 were audited by another auditor who expressed an unmodified opinion on those statements on April 9, 2021.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Authority or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Authority's financial reporting process.



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authorities internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authorities ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Authorities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Authority to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Barrie, Ontario
April 8, 2022

Credit Valley Conservation Authority
Statement of Financial Position

| December 31 | 2021 | 2020 |
|--|-------------------|-------------------|
| Financial assets | | |
| Cash and cash equivalents (Note 3) | \$13,014,438 | \$ 14,655,222 |
| Accounts receivable (Note 4) | 5,943,160 | 1,934,308 |
| | <u>18,957,598</u> | <u>16,589,530</u> |
| Financial liabilities | | |
| Accounts payable and accrued liabilities | 3,282,402 | 1,994,745 |
| Deferred revenue (Note 5) | 9,681,486 | 8,802,623 |
| Capital lease liabilities | - | 155,630 |
| Mortgage payable (Note 8) | 5,404,600 | 5,553,592 |
| | <u>18,368,488</u> | <u>16,506,590</u> |
| Net financial assets | <u>589,110</u> | <u>82,940</u> |
| Non-financial assets | | |
| Tangible capital assets (Note 6) | 54,588,569 | 49,262,112 |
| Prepaid expenses | 209,432 | 193,674 |
| Inventory | 146,964 | 158,502 |
| | <u>54,944,965</u> | <u>49,614,288</u> |
| Accumulated surplus (Note 10) | \$ 55,534,075 | \$ 49,697,228 |
| Commitments (Note 11) | | |
| Contractual Rights (Note 14) | | |
| Contingent Liability (Note 15) | | |
| Uncertainty due to COVID-19 (Note 16) | | |

Approved by Board

_____ Chair

_____ Vice Chair

Credit Valley Conservation Authority
Statement of Operations and Accumulated Surplus

| For the year ended December 31 | Budget 2021 | 2021 | 2020 |
|---|----------------|---------------|---------------|
| | (Note 2) | | |
| Revenue | | | |
| Government grants: | | | |
| Transfer payments | \$ 95,606 | \$ 95,606 | \$ 95,606 |
| Federal and provincial | 1,087,505 | 5,898,067 | 1,161,038 |
| | 1,183,111 | 5,993,673 | 1,256,644 |
| Municipal levies: | | | |
| General (Schedule A) | 9,929,464 | 9,929,464 | 9,675,559 |
| Special benefiting (Schedule A) | 16,423,190 | 16,291,337 | 15,761,929 |
| | 26,352,654 | 26,220,801 | 25,437,488 |
| Other contributions | 549,524 | 1,541,554 | 1,954,723 |
| Authority-generated (Schedule B) | 2,822,496 | 3,590,608 | 3,633,061 |
| | 30,907,785 | 37,346,636 | 32,281,916 |
| Expenses | | | |
| Water resources management and restoration (Schedule C) | 7,753,422 | 8,024,030 | 7,643,533 |
| Watershed stewardship and natural heritage (Schedule D) | 10,880,040 | 10,847,673 | 9,939,999 |
| Conservation lands management (Schedule E) | 4,152,902 | 3,767,806 | 3,223,705 |
| Conservation areas programming (Schedule F) | 2,267,686 | 2,328,069 | 2,057,798 |
| Corporate communications and education (Schedule G) | 2,189,521 | 2,284,620 | 1,976,171 |
| Environmental advisory services (Schedule H) | 3,438,682 | 3,302,018 | 3,295,837 |
| Corporate services (Schedule I) | (494,960) | 955,573 | 953,155 |
| | 30,187,293 | 31,509,789 | 29,090,198 |
| Annual surplus | 720,492 | 5,836,847 | 3,191,718 |
| Accumulated surplus, beginning of year | 49,697,228 | 49,697,228 | 46,505,510 |
| Accumulated surplus, end of year | \$ 50,417,720 | \$ 55,534,075 | \$ 49,697,228 |

The accompanying notes are an integral part of these financial statements

Credit Valley Conservation Authority
Statement of Change in Net Financial Assets (Debt)

| For the year ended December 31 | Budget 2021 | 2021 | 2020 |
|---|----------------|--------------|--------------|
| Annual surplus | \$ 720,492 | \$ 5,836,847 | \$ 3,191,718 |
| Acquisition of tangible capital asset | (411,500) | (6,724,147) | (3,632,697) |
| Amortization of tangible capital assets | - | 1,397,690 | 1,434,741 |
| Proceeds on disposal of tangible capital assets | - | 1,323 | 76,308 |
| Gain on disposal of tangible capital assets | - | (1,323) | (62,247) |
| | 308,992 | (5,326,457) | (2,183,895) |
| Change in prepaid expenses | - | (15,758) | 176,316 |
| Change in inventory | - | 11,538 | (8,613) |
| | - | (4,220) | 167,703 |
| Change in net financial assets | 308,992 | 506,170 | 1,175,526 |
| Net financial assets (debt), beginning of year | 82,940 | 82,940 | (1,092,586) |
| Net financial assets, end of year | \$ 391,932 | \$ 589,110 | \$ 82,940 |

The accompanying notes are an integral part of these financial statements

Credit Valley Conservation Authority
Statement of Cash Flows

| For the year ended December 31 | 2021 | 2020 |
|--|--------------|---------------|
| Operating transactions | | |
| Annual surplus | \$ 5,836,847 | \$ 3,191,718 |
| Non-cash changes to operations: | | |
| Amortization | 1,397,690 | 1,434,741 |
| Gain on disposal of tangible capital assets | (1,323) | (62,247) |
| Changes in non-cash operating items: | | |
| Accounts receivable | (4,008,852) | (469,655) |
| Prepaid expenses | (15,758) | 176,316 |
| Inventory | 11,538 | (8,613) |
| Accounts payable and accrued liabilities | 1,287,657 | 233,637 |
| Deferred revenue | 878,863 | 205,954 |
| Total Operating Transactions | 5,386,662 | 4,701,851 |
| Capital transactions | | |
| Proceeds on disposal of tangible capital assets | 1,323 | 76,308 |
| Acquisition of tangible capital assets | (6,724,147) | (3,632,697) |
| Total Capital Transactions | (6,722,824) | (3,556,389) |
| Financing transactions | | |
| Capital lease repayment | (155,630) | (161,760) |
| Repayment of mortgage principal | (148,992) | (141,464) |
| Total Financing Transactions | (304,622) | (303,224) |
| Increase (decrease) in cash and cash equivalents | (1,640,784) | 842,238 |
| Cash and cash equivalents, beginning of year | 14,655,222 | 13,812,984 |
| Cash and cash equivalents, end of year | \$13,014,438 | \$ 14,655,222 |
| Supplemental cash flow information: | | |
| Interest received | \$ 66,760 | \$ 117,471 |
| Interest paid | 285,050 | 292,576 |

The accompanying notes are an integral part of these financial statements

Credit Valley Conservation Authority

Notes to the Financial Statements

December 31, 2021

1. Summary of Significant Accounting Policies

Nature of the Authority

Credit Valley Conservation Authority (the "Authority") was established on May 13, 1954 by Order-in-Council No. 1324/54, in accordance with Section 3(1) of the Conservation Authorities Act of Ontario. The Authority is classified as a registered charity under the Income Tax Act (Canada) and as such, is not subject to income taxes provided certain disbursement requirements are met. The objective of the Authority, as stated by the Conservation Authorities Act R.S.O. 1990 is "to provide for the organization and delivery of programs and services that further the conservation, restoration, development and management of natural resources in watersheds in Ontario".

Management's Responsibility

The financial statements of the Authority are the responsibility of management. They have been prepared in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board ("PSAB") of The Chartered Professional Accountants of Canada.

Basis of Accounting

Revenue and expenses are reported on the accrual basis of accounting whereby they are reflected in the accounts in the year in which they have been earned and incurred, respectively, whether or not such transactions have been settled by the receipt or payment of money.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term cashable investments. Short-term investments are highly liquid, subject to insignificant risk of changes in value.

Credit Valley Conservation Authority
Notes to the Financial Statements

December 31, 2021

1. Summary of Significant Accounting Policies (continued)

Non-Financial Assets, Tangible Capital Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year, and are not intended for sale in the ordinary course of operations.

(i) Tangible Capital Assets

Tangible capital assets are recorded at cost, less accumulated amortization. Cost includes all amounts directly attributable to acquisition, construction, development or betterment of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset using the following rates:

| | |
|-------------------------------|----------------------------|
| Land improvements | 10 - 25 years |
| Structures | 10 - 75 years |
| Machinery and equipment | 1 - 25 years |
| Vehicles | 4 - 9 years |
| Equipment under capital lease | Over the term of the lease |

Assets under construction are not amortized until the asset is available for productive use, at which time, they are capitalized.

(ii) Contributed Tangible Capital Assets

Tangible capital assets received as contributions are recorded at the fair value at the date of receipt.

Vehicles and Equipment

The Authority maintains a reserve for replacement of vehicles and equipment. Internal charges for the use of the vehicles and equipment are made to the various projects and programs of the Authority. The internal charges are designed to recover the costs of operating equipment, including replacement. Additions and replacements to vehicles and equipment are financed by transfers from this reserve.

Vacation pay and lieu time liabilities

Vacation credits earned but not taken and lieu time entitlements are accrued as earned.

Reserves

Reserves are established under approval of the Credit Valley Conservation (CVC) Authority Board of Directors. The management of reserves falls under the authority of the CAO and the Director of Corporate Services. Increases or decreases in these reserves are made by appropriations to or from operations. Any use of funds from a reserve shall be authorized by designated program staff and Finance staff as outlined in procedure.

Credit Valley Conservation Authority
Notes to the Financial Statements

December 31, 2021

1. Summary of Significant Accounting Policies (continued)

Government transfers

Government transfers and municipal levies are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Government transfers and municipal levies are recognized as deferred revenue when transfer stipulations give rise to a liability. Government transfers and municipal levies are recognized in the statement of operations as the stipulation liabilities are settled.

Restricted Revenue

Contributions, other than government transfers, are deferred when restrictions are placed on their use by the external contributor, and are recognized as revenue when used for the purpose specified.

Other grants, donations and contributions, amounts received from Credit Valley Conservation Foundation and authority-generated revenue are recognized when the related services are performed.

Pension Plan

The Authority is an employer member of the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer, defined benefit pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the assets and administration of the benefits. The Authority has adopted defined contribution plan accounting principles for this Plan because insufficient information is available to apply defined benefit plan accounting principles. The Authority records as pension expense the current service cost, amortization of past service costs and interest costs related to the future employer contributions to the Plan for past employee service.

Use of Estimates

The preparation of the financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. The principal estimates used in the preparation of these financial statements include accounts receivable, estimated provisions for accrued liabilities, the estimated useful lives of tangible capital assets and valuation of tangible capital assets. Actual results could differ from management's best estimates as additional information becomes available in the future.

Credit Valley Conservation Authority
Notes to the Financial Statements

December 31, 2021

1. Summary of Significant Accounting Policies (continued)

Financial Instruments

Cash and equity instruments quoted in an active market are measured at fair value. Accounts receivable, accounts payable, and long-term debt are measured at cost or amortized cost. The carrying amount of each of these financial instruments is presented on the statement of financial position.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

Transaction costs are added to the carrying value for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value.

The Authority's financial assets comprise of cash and cash equivalents including investments which are recorded at fair value; and accounts receivable which are recorded at amortized cost. The Authority's financial liabilities comprise of accounts payable and accrued liabilities and mortgage payable which are recorded at amortized cost.

Credit Valley Conservation Authority
Notes to the Financial Statements

December 31, 2021

2. Budget Figures

The Budget for 2021 was adopted by the Board of Directors on February 19, 2021. The budget was prepared on a cash basis (based on expected cash inflows and outflows), while Canadian public sector accounting standards now require the reporting of actual results on the financial statements to be prepared on a full accrual basis. Accordingly, the budget expensed tangible capital expenditures rather than including amortization expense. As a result, the budget figures presented in the statements of operations and change in net financial assets represent the 2021 budget adopted by Council with adjustments as follows:

| | Revenue | Expense | Net |
|---|---------------|---------------|------------|
| Total Board approved budget | \$ 30,907,785 | \$ 30,907,785 | \$ - |
| Less: Budgeted capital expenses | - | 411,500 | 411,500 |
| 2021 Budgeted principal repayments on long-term debt | - | 148,992 | 148,992 |
| Budgeted contribution to reserve | - | 160,000 | 160,000 |
| Adjusted budget per the statement of operations | \$ 30,907,785 | \$ 30,187,293 | \$ 720,492 |

The budgeted numbers are unaudited.

3. Cash and Cash Equivalents

Cash equivalents is comprised of funds held with the ONE Investment Program. Portfolio investments are recorded at fair value.

As at year end, the Authority held \$7,382,734 (2020 - \$10,037,588) of cash in the ONE Investment High Interest Savings account with a fair value of \$7,382,734 (2020 - \$10,037,588).

4. Accounts Receivable

| | 2021 | 2020 |
|-------------------|--------------|--------------|
| Government Grants | \$ 4,959,933 | \$ 784,588 |
| Municipal Levies | 20,812 | 42,171 |
| Other | 962,415 | 1,107,549 |
| | \$ 5,943,160 | \$ 1,934,308 |

Credit Valley Conservation Authority

Notes to the Financial Statements

December 31, 2021

5. Deferred Revenue

Revenue received but not earned at year end is as follows:

| | 2021 | 2020 |
|---|--------------|--------------|
| MNR Transfer Payment | \$ 17,449 | \$ 17,449 |
| Water Management Technical Assessment and Guidance | 409,963 | 422,343 |
| LID Developer Funded Monitoring Program | 343,074 | 133,025 |
| Water Management Transfer Tools and Training | 364,853 | 222,292 |
| CTC Source Protection Program | 172,204 | - |
| Blocks 1 to 5 EIR & FSR | 25,539 | 25,410 |
| Flood Forecast & Warning | 7,114 | 56,018 |
| Climate Change Vulnerability Assessment | 62,959 | 66,747 |
| Real Time Water Quality Response | 133,882 | 134,231 |
| SWM Infrastructure Performance Risk Assess | 505,168 | 456,260 |
| Floodline Mapping Program - Peel | 129,741 | 230,047 |
| Leaders for Clean Water - Peel | 632,787 | 422,900 |
| Watershed Plan | 264,582 | - |
| Leaders for Clean Water - Headwaters | 36,648 | 230,160 |
| S. 39 Transfer Payment | 6,453 | 6,453 |
| Peel Predevelopment Support | 126,057 | 69,330 |
| Peel Planting Program | 668,926 | 328,252 |
| 50 Million Trees Program - Future Obligation | 16,258 | 16,258 |
| Future Replanting - CVC Partners | 15,019 | 15,019 |
| Invasive Species Control Program | 211,909 | 173,995 |
| Grassland Projects | 1,000 | 17,165 |
| Peel Rural Water Quality | 149,643 | 116,878 |
| Peel Rural Non-Farm Environment Program | 144,476 | 158,919 |
| Peel Rural Farm Environment Program | 120,342 | 37,016 |
| Peel Ecological Goods and Services | 84,159 | 91,993 |
| Watershed Ecological Goods & Services | 196,681 | 119,457 |
| Conservation Youth Corp | 133,885 | 82,671 |
| Nursery Infrastructure & Restoration | 136,803 | 47,309 |
| Wetland & Aquatic Habitat Restoration | 30,000 | - |
| Aquatic & Wetland Restoration - Peel | 247,998 | 862,694 |
| Credit Valley Trail | 25,000 | 25,000 |
| Regional Community Outreach | 284,742 | 6,316 |
| Headwaters Outreach | 67,233 | 81,467 |
| Urban Outreach & Restoration | 6,672 | 57,212 |
| Jim Tovey Lakeview Conservation Area: Phase II | 8,327 | 13,309 |
| Landscape Science | 187,375 | 84,471 |
| Urban Natural Heritage | 85,510 | 118,342 |
| Natural Areas Inventory | 195,146 | 162,643 |
| Wildlife Habitat Assessment | 52,609 | 113,906 |
| Effectiveness Monitoring Strategy | 38,968 | 42,740 |
| Brampton Cause and Effect Monitoring | 266,162 | 264,822 |
| Infrastructure Major Maintenance | 691,437 | 504,971 |
| Dods & McNair Memorial Forest | - | 3,547 |
| Capital Projects - Peel | 1,663,573 | 1,841,695 |
| Enforcement Program - Peel | 9,710 | 24,458 |
| Conservation Authorities Workshop | 17,731 | 13,231 |
| Public Relations | 84,509 | 159,835 |
| Corporate Support Initiatives | 483,161 | 402,792 |
| Environmental Education | 44,905 | 227,023 |
| Conservation Authorities University | 73,144 | 94,276 |
| Green Infrastructure Ontario Coalition Administration | - | 276 |
| | \$ 9,681,486 | \$ 8,802,623 |

These amounts are recognized as revenue as directly related expenses are incurred.

Credit Valley Conservation Authority
Notes to the Financial Statements

December 31, 2021

6. Tangible Capital Assets

| | 2021 | | | | | | |
|---|---------------|-------------------|---------------|-------------------------|------------|--------------------------|---------------|
| | Land | Land Improvements | Structures | Machinery and Equipment | Vehicles | Capital Work in Progress | Total |
| Cost | | | | | | | |
| Balance, beginning of year | \$ 33,347,745 | \$ 4,317,971 | \$ 18,414,614 | \$ 4,079,137 | \$ 943,054 | \$ 201,415 | \$ 61,303,936 |
| Add: Additions during the year | 320,193 | - | - | 234,396 | 77,866 | 6,091,692 | 6,724,147 |
| Add: Transfers | - | - | 214,680 | 71,472 | - | (286,152) | - |
| Less: Disposals during the year | - | (2,493) | - | (276,552) | - | - | (279,045) |
| Balance, end of year | 33,667,938 | 4,315,478 | 18,629,294 | 4,108,453 | 1,020,920 | 6,006,955 | 67,749,038 |
| Accumulated amortization | | | | | | | |
| Balance, beginning of year | - | 2,290,700 | 7,201,775 | 2,132,814 | 416,535 | - | 12,041,824 |
| Add: Amortization during the year | - | 165,287 | 542,117 | 551,066 | 139,220 | - | 1,397,690 |
| Less: Amortization on disposals | - | (2,493) | - | (276,552) | - | - | (279,045) |
| Balance, end of year | - | 2,453,494 | 7,743,892 | 2,407,328 | 555,755 | - | 13,160,469 |
| Net book value of tangible capital assets | \$ 33,667,938 | \$ 1,861,984 | \$ 10,885,402 | \$ 1,701,125 | \$ 465,165 | \$ 6,006,955 | \$ 54,588,569 |

Credit Valley Conservation Authority
Notes to the Financial Statements

December 31, 2021

6. Tangible Capital Assets (continued)

| | 2020 | | | | | | |
|---|---------------|------------------|---------------|-------------------------|------------|--------------------------|---------------|
| | Land | Land Improvement | Structures | Machinery and Equipment | Vehicles | Capital Work in Progress | Total |
| Cost | | | | | | | |
| Balance, beginning of year | \$ 32,050,548 | \$ 3,869,285 | \$ 17,110,884 | \$ 4,089,239 | \$ 764,472 | \$ 276,684 | \$ 58,161,112 |
| Add: Additions during the year | 1,297,197 | 38,305 | 19,640 | 341,753 | 260,187 | 1,675,615 | 3,632,697 |
| Add: Transfers | - | 466,794 | 1,284,090 | - | - | (1,750,884) | - |
| Less: Disposals during the year | - | (56,413) | - | (351,855) | (81,605) | - | (489,873) |
| Balance, end of year | 33,347,745 | 4,317,971 | 18,414,614 | 4,079,137 | 943,054 | 201,415 | 61,303,936 |
| Accumulated amortization | | | | | | | |
| Balance, beginning of year | - | 2,166,025 | 6,681,164 | 1,972,385 | 263,321 | - | 11,082,895 |
| Add: Amortization during the year | - | 181,088 | 520,611 | 510,772 | 222,270 | - | 1,434,741 |
| Less: Amortization on disposals | - | (56,413) | - | (350,343) | (69,056) | - | (475,812) |
| Balance, end of year | - | 2,290,700 | 7,201,775 | 2,132,814 | 416,535 | - | 12,041,824 |
| Net book value of tangible capital assets | \$ 33,347,745 | \$ 2,027,271 | \$ 11,212,839 | \$ 1,946,323 | \$ 526,519 | \$ 201,415 | \$ 49,262,112 |

Tangible capital assets under construction have a value of \$6,006,955 (2020 - \$201,415) and have not been amortized. Amortization of these assets will commence when the assets are put into service.

Credit Valley Conservation Authority
Notes to the Financial Statements

December 31, 2021

7. Credit Facility

The Authority has a standby line of credit held with TD Canada Trust at prime plus 0% interest. As at December 31, 2021, no amount has been drawn (2020 - \$Nil).

8. Mortgage Payable

In 2010, the Authority entered into a long-term financing agreement with the Regional Municipality of Peel for a maximum of \$6,590,000 to use for the development of the Authority's headquarters building expansion. During 2011, the promissory note was converted to a mortgage payable and bears interest at a rate of 5.196% and is repayable over 30 years. The current portion of the principal is \$156,920 (2020 - \$148,992).

Expected principal payments over the next five years and thereafter is as follows:

| | |
|------------|---------------------|
| 2022 | \$ 156,920 |
| 2023 | 165,271 |
| 2024 | 174,066 |
| 2025 | 183,329 |
| 2026 | 193,085 |
| Thereafter | <u>4,531,929</u> |
| | <u>\$ 5,404,600</u> |

9. Related Party Transactions

During the year, the Authority received \$1,639,175 (2020 - \$764,934) from the Credit Valley Conservation Foundation, of which \$746,069 (2020 - \$325,324) was recognized as revenue in the current year. Funds received of \$831,315 (2020 - \$439,610) have been deferred until the appropriate recognition criteria have been met.

10. Accumulated Surplus

Accumulated surplus consists of the following:

| | <u>2021</u> | <u>2020</u> |
|-------------------------------------|---------------------|----------------------|
| Surpluses | | |
| Invested in tangible capital assets | \$54,588,569 | \$ 49,262,112 |
| Operating (Deficits) | (14,763,783) | (13,264,446) |
| Reserves | <u>15,709,289</u> | <u>13,699,562</u> |
| Accumulated surplus | <u>\$55,534,075</u> | <u>\$ 49,697,228</u> |

Credit Valley Conservation Authority
Notes to the Financial Statements

December 31, 2021

11. Lease Commitments

Future minimum lease payments for the next four years for equipment are as follows:

| | |
|------|-----------|
| 2022 | \$ 16,160 |
| 2023 | 15,664 |
| 2024 | 15,664 |
| 2025 | 1,305 |
| | <hr/> |
| | \$ 48,793 |

12. Expenses by Object

| | 2021 | 2020 |
|--|--------------|---------------|
| | <hr/> | <hr/> |
| Administration overhead chargeback | \$ 3,431 | \$ - |
| Amortization | 1,397,690 | 1,434,741 |
| Consulting and other professional fees | 2,722,426 | 2,445,475 |
| Loss on foreign exchange | 963 | 2,186 |
| Gain on disposal of capital assets | (1,323) | (62,247) |
| Insurance | 249,027 | 199,516 |
| Interest on long-term debt | 287,228 | 296,536 |
| Office | 145,485 | 270,922 |
| Program related expenses | 750,331 | 609,381 |
| Repairs and maintenance | 61,469 | 82,755 |
| Training | 25,890 | 30,194 |
| Utilities and property taxes | 372,299 | 329,712 |
| Vehicle expenses | 672,307 | 627,789 |
| Wages and benefits | 24,822,566 | 22,823,238 |
| | <hr/> | <hr/> |
| | \$31,509,789 | \$ 29,090,198 |

Credit Valley Conservation Authority

Notes to the Financial Statements

December 31, 2021

13. Pension Plan

The Authority makes contributions to the Ontario Municipal Employees' Retirement System ("OMERS"), which is a multi-employer plan, on behalf of all full-time members of its staff. The plan is a defined benefit plan, which specifies that amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including the investment of assets and administration of benefits. OMERS provides pension services to more than 500,000 active and retired members and approximately 1,000 employees.

Each year an independent actuary determines the status of OMERS Primary Pension Plan (the Plan) by comparing the actuarial value of invested assets to the estimated present value of all pension benefits that members have earned to date. The most recent actuarial valuation of the Plan was conducted at December 31, 2021. The results of this valuation disclosed total actuarial liabilities of \$120.8 billion in respect of benefits accrued for service with actuarial assets at that date of \$117.7 billion indicating an actuarial deficit of \$3.1 billion. Because OMERS is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the Authority does not recognize any share of the OMERS pension surplus or deficit. Contributions made by the Authority to OMERS for 2021 were \$1,769,844 (2020 - \$1,664,957).

14. Contractual Rights

The Authority is involved in various contracts and agreements arising in the ordinary course of business. This results in contractual rights to economic resources, leading to both assets and revenue in the future. Future revenues from third party contracts to provide services and shared services with cost recoveries are estimated to be approximately \$8,389,000 (2020 - \$5,619,000) over the course of 2022 to 2028.

15. Contingent Liabilities

Certain unresolved legal claims are outstanding against the Authority as at December 31, 2021. No amounts have been accrued in the financial statements for any potential losses arising from these claims as the Authority anticipates any individual settlements will not exceed the limits of insurance coverage or the outcomes are not determined at this time.

Credit Valley Conservation Authority
Notes to the Financial Statements

December 31, 2021

16. Financial Instruments Risks

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Authority is exposed to credit risk resulting from the possibility that a counterparty to a financial instrument defaults on their financial obligations; if there is a concentration of transactions carried out with the same counterparty; or of financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions. The Authority's financial instruments that are exposed to concentrations of credit risk relate primarily to its accounts receivable. The majority of the Authority's receivables are from government resources.

Liquidity risk

Liquidity risk is the risk that the Authority will encounter difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the Authority will not have sufficient funds to settle a transaction on the due date. The Authority is exposed to this risk mainly in respect of its accounts payable, and mortgage payable. The Authority mitigates this risk by ensuring that it always has sufficient cash to allow it to meet its liabilities when they become due.

17. Uncertainty due to COVID-19

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The Authority has mandated work-from-home supported by technology and infrastructure to access servers from remote locations, for those who were able to do so. Management continues to closely monitor and manage the impact of COVID-19 to the operations of the Authority by managing expenditures accordingly.

18. Comparative Figures

Certain comparative figures have been reclassified to conform with current year presentation.

Credit Valley Conservation Authority Notes to the Financial Statements

December 31, 2021

19. Program Information

Certain allocation methodologies are employed in the preparation of program financial information. Government grants, user charges, transfers from other funds, and other revenue are allocated to the specific program or service they relate to. Expense allocations are both internal and external. Activity based costing is used to allocate internal support costs to departments. These costs include the net expenditures for departments, such as human resources, information systems, finance and others, commonly referred to as overhead. The Authority allocated its activities into seven main program areas which are reported in the accompanying supplementary schedules to the financial statements.

Water Resources Management and Restoration

Services provided by the Authority include those required to develop the framework and management strategy to provide a rational approach to natural systems protection, restoration and use. The Authority also maintains and updates an extensive database of information on the watershed. The Authority undertakes studies of specific areas, such as subwatersheds, or features, such as groundwater to improve the watershed knowledge and determine methods to improve management techniques. The information gathered is also used to assess the health of the watershed, to anticipate impacts of future changes, to determine method of maintaining and restoring a healthy river system, and to monitor the effectiveness of actions.

Watershed Stewardship and Natural Heritage

The Authority coordinates stewardship information and provides service, technical advice and assistance to private, public and corporate landowners, community groups and individual residents on sound environmental practices that will enhance, restore or protect lands and natural features. This program includes activities such as forest management, naturalization, stream, pond and wetland management, wildlife management, water quality problems, flooding and erosion problems and agricultural matters. The Authority undertakes this role in partnership with our municipalities, provincial agencies, interest groups and academic institutes. The Natural Heritage activity includes the inventory, research and analysis and monitoring of natural vegetation communities at both the landscape level and the community level. Plant, animal and fish species are also recorded to manage significant species and habitats as per Provincial Policy Statements, Subwatershed Studies and the Authority's Planning policies. Technical advice is provided to internal activities as well as other agencies and stakeholders.

Credit Valley Conservation Authority
Notes to the Financial Statements

December 31, 2021

16. Program Information (continued)

Conservation Lands Management

Services include facilitating the development and ongoing management of a conservation land strategy for public lands. Conservation lands form an interconnected network of natural areas and natural corridors that help protect the long term health of the watershed. Activities include comprehensive inventories of all public conservation lands, identification of key gaps in public ownership and opportunities for closing these gaps and the development of routes for trails. It also includes management, planning, monitoring, general maintenance and general upkeep of land, improvements, structures, machinery and equipment owned or managed by the Authority.

Conservation Areas Programming

Services include recreational program delivery at Belfountain, Island Lake, Ken Whillans and Terra Cotta Conservation Areas. The programs are designed to offer sustainable natural heritage appreciation and recreational benefits for the general public. The programs include trails for walking, picnicking, boating, fishing, cross country skiing and special events.

Corporate Communications and Education

Services include corporate communications, marketing, information technology services and the operation of the Credit Valley Conservation Foundation. It also includes the development and implementation of a corporate education strategy that focuses on watershed priorities.

Environmental Advisory Services

The Authority provides environmental review of land use proposals submitted by municipalities, developers and the general public. This includes official plan review, secondary plan review, general planning studies, review of plans of subdivision and condominiums, office plan amendments, land division review, site plans and zoning bylaws and variances. The Authority also administers approvals for construction and filling in flood plains and valleys and for altering the course of rivers and streams. The Authority's objective in providing these services is to ensure protection of water quantity and quality, natural heritage, protection of people from natural hazards such as flooding and erosion and to ensure the interests and rights of those downstream are not compromised as stipulated by the Planning Act, the Conservation Authorities Act and the Environmental Assessment Act.

Corporate Services

Services include both management and non program specific activities. These include internal support services such as senior management costs, board costs, office support services, financial services and human resources and are charged to other programs on a pro rata basis.

Credit Valley Conservation Authority
Municipal Levies
Schedule A

For the year ended December 31, 2021, with comparative information for 2020

| | 2021 | | 2020 | |
|----------------------|--------------|---------------|--------------|---------------|
| Member municipality | General levy | Special levy | General levy | Special levy |
| Region of Halton | \$ 510,827 | \$ 145,902 | \$ 489,831 | \$ 319,652 |
| Town of Halton Hills | | | | |
| Town of Oakville | | | | |
| Region of Peel | 9,102,958 | 16,081,030 | 8,875,580 | 15,352,220 |
| City of Brampton | | | | |
| City of Mississauga | | | | |
| Town of Caledon | | | | |
| Town of Orangeville | 236,852 | 48,322 | 232,968 | 67,647 |
| Township of: | | | | |
| Amaranth | 1,112 | 227 | 1,070 | 311 |
| East Garafraxa | 5,834 | 1,190 | 5,463 | 1,586 |
| Town of Moro | 11,177 | 2,280 | 10,895 | 3,163 |
| Town of Erin | 60,704 | 12,386 | 59,752 | 17,350 |
| | \$ 9,929,464 | \$ 16,291,337 | \$ 9,675,559 | \$ 15,761,929 |

Credit Valley Conservation Authority
Authority Generated Revenue
Schedule B

For the year ended December 31, 2021 with comparative information for 2020

| Programs | 2021 Budget (Note 2) | 2021 Actual | 2020 Actual |
|--|-------------------------|--------------|--------------|
| Water Resource Management and Restoration: | | | |
| Donations | \$ - | \$ 96,371 | \$ 104,008 |
| Other income | 8,852 | 132,926 | 62,258 |
| | 8,852 | 229,297 | 166,266 |
| Watershed Stewardship & Natural Heritage: | | | |
| Erosion Control Fees | 293,206 | 285,380 | 259,615 |
| Donations | 40,000 | 275,179 | 237,504 |
| Other Income | 92,320 | 197,301 | 122,361 |
| | 425,526 | 757,860 | 619,480 |
| Conservation Lands Management: | | | |
| Donations | - | 27,679 | 551,741 |
| In-Kind Donations | - | 5,000 | - |
| Other Income | 15,930 | 79,055 | 7,371 |
| | 15,930 | 111,734 | 559,112 |
| Conservation Areas Programming: | | | |
| Conservation Area Program Fees | 990,398 | 1,322,022 | 902,199 |
| Donations | - | - | 1,300 |
| Merchandise and Other Income | 177,313 | 97,477 | 85,464 |
| | 1,167,711 | 1,419,499 | 988,963 |
| Corporate Communications and Education: | | | |
| Donations | 265,300 | 56,277 | 124,516 |
| Other Income | 11,250 | 56,872 | 8,387 |
| | 276,550 | 113,149 | 132,903 |
| Environmental Advisory Services: | | | |
| GD Inquiry Fees | 47,427 | 62,398 | 34,779 |
| Map Sales | 500 | - | - |
| Regulation Fees | 110,000 | 199,147 | 206,561 |
| Plan Review Fees | 640,000 | 516,013 | 664,547 |
| | 797,927 | 777,558 | 905,887 |
| Corporate Services: | | | |
| Interest and Other Income | 130,000 | 66,760 | 184,542 |
| Miscellaneous | - | 114,751 | 75,908 |
| | 130,000 | 181,511 | 260,450 |
| | \$ 2,822,496 | \$ 3,590,608 | \$ 3,633,061 |

Credit Valley Conservation Authority
Water Resources Management and Restoration Expenses
Schedule C

For the year ended December 31, 2021 with comparative information for 2020

| | 2021 Budget (Note 2) | 2021 Actual | 2020 Actual |
|--|-------------------------|--------------|--------------|
| Watershed Management | \$ 234,797 | \$ 239,952 | \$ 194,357 |
| G.I.S | 772,759 | 943,484 | 960,710 |
| Professional Services | 30,500 | 6,698 | 7,488 |
| Flood Warning | 227,217 | 219,900 | 200,404 |
| Water Quality Strategy | 121,785 | 122,673 | 119,950 |
| Flood Line Mapping | 107,398 | 107,853 | 185,376 |
| Groundwater Management | 224,572 | 187,180 | 193,605 |
| Watershed and Subwatershed Planning | 168,907 | 132,632 | 185,223 |
| River Infrastructure Management | 424,300 | 413,036 | 354,720 |
| | 2,312,235 | 2,373,408 | 2,401,833 |
| Watershed Studies and Projects: | | | |
| Water Management Technical Assessment and Guidance | 772,004 | 812,011 | 994,401 |
| LID Developer Funded Monitoring Program | 8,852 | 10,760 | 5,669 |
| Water Management Knowledge Transfer | | | |
| Tools and Training | 349,546 | 312,636 | 347,360 |
| CTC Source Protection Program | 500,000 | 356,291 | 110,352 |
| Flood Forecasting & Warning | 438,559 | 487,464 | 479,489 |
| Climate Change Vulnerability Assessment | 237,372 | 241,159 | 202,330 |
| Real Time Water Quality Response | 355,161 | 361,030 | 401,072 |
| SWM Infrastructure Perf. Risk Assessment | 1,109,028 | 1,017,292 | 985,613 |
| Floodline Mapping Program - Peel | 659,653 | 766,429 | 616,379 |
| Leaders for Clean Water - Peel | 852,688 | 1,053,296 | 954,518 |
| Leaders for Clean Water - Headwaters | 158,324 | 151,836 | 144,517 |
| Watershed Plan - Peel | - | 80,418 | - |
| | 5,441,187 | 5,650,622 | 5,241,700 |
| | \$ 7,753,422 | \$ 8,024,030 | \$ 7,643,533 |

Credit Valley Conservation Authority
Watershed Stewardship and Natural Heritage Expenses
Schedule D

For the year ended December 31, 2021 with comparative information for 2020

| | 2021 Budget (Note 2) | 2021 Actual | 2020 Actual |
|---|-------------------------|---------------|--------------|
| Watershed Stewardship: | | | |
| Stewardship Administration | \$ 287,846 | \$ 118,274 | \$ 205,978 |
| Aquatic & Wetland Restoration-Watershed | 45,693 | 27,008 | 106,821 |
| Planting Program | 415,967 | 394,097 | 326,013 |
| Peel Planting Program | 741,428 | 627,281 | 408,261 |
| Nursery Operations | 320,928 | 263,270 | 187,817 |
| Invasive Species Control Program | 314,821 | 324,384 | 615,288 |
| Emerald Ash Borer-Halton | 50,536 | 41,684 | 177,420 |
| Stewardship Outreach | 429,494 | 463,371 | 299,166 |
| Grassland Projects | - | 11,431 | 3,206 |
| Peel Rural Water Quality Program | 181,089 | 113,324 | 144,965 |
| Peel Rural Stewardship | 718,137 | 682,681 | 584,044 |
| Sustainable Neighbourhoods | 280,587 | 539,588 | 92,448 |
| Peel Ecological Goods and Services | 162,757 | 145,892 | 267,241 |
| Watershed Ecological Goods and Services | 141,126 | 96,501 | 91,230 |
| Conservation Youth Corp | 445,616 | 403,293 | 355,290 |
| Nursery Infrastructure & Restoration | 22,568 | 23,074 | 31,604 |
| Aquatic & Wetland Restoration-Peel | 982,006 | 1,067,801 | 786,552 |
| Credit Valley Trail | 125,535 | 109,458 | 101,885 |
| Regional Community Outreach | 229,622 | 253,021 | 320,122 |
| Headwaters Outreach | 131,625 | 183,737 | 120,914 |
| Urban Outreach & Restoration | 638,574 | 650,016 | 613,127 |
| Jim Tovey Lakeview Conservation | 2,514 | 416,725 | 627,918 |
| Area: Phase II | | | |
| | 6,668,469 | 6,955,911 | 6,467,310 |
| Natural Heritage: | | | |
| Ecosystem Science | 919,928 | 825,488 | 736,977 |
| Integrated Water Monitoring | 1,081,580 | 972,581 | 821,211 |
| Landscape Science | 591,029 | 523,325 | 567,294 |
| Urban Natural Heritage | 273,061 | 295,894 | 199,741 |
| Natural Areas Inventory | 472,990 | 440,486 | 408,215 |
| Wildlife Habitat Assessment | 417,060 | 393,578 | 324,209 |
| Effectiveness Monitoring | 188,217 | 181,988 | 166,983 |
| Natural Heritage Administration | 267,706 | 258,422 | 248,059 |
| | 4,211,571 | 3,891,762 | 3,472,689 |
| | \$ 10,880,040 | \$ 10,847,673 | \$ 9,939,999 |

Credit Valley Conservation Authority
Conservation Lands Management Expenses
Schedule E

For the year ended December 31, 2021 with comparative information for 2020

| | 2021 Budget (Note 2) | 2021 Actual | 2020 Actual |
|---|-------------------------|--------------|--------------|
| Land Management Administration | \$ 761,243 | \$ 835,864 | \$ 698,005 |
| Land Securement - Peel | - | 24,934 | 31,640 |
| Enforcement Program | 34,037 | 33,105 | 30,261 |
| Property Management | 548,059 | 601,922 | 459,893 |
| Corporate Offices Support | 682,584 | 737,906 | 712,727 |
| Dam Maintenance | 25,397 | 26,364 | 28,268 |
| Fleet Operations | (30,000) | (329,068) | (326,292) |
| | 2,021,320 | 1,931,027 | 1,634,502 |
| Capital/Development Projects: | | | |
| Infrastructure Major Maintenance CA's | 470,707 | 615,903 | 440,803 |
| Infrastructure/Major Maintenance - Dams | 242,073 | 185,628 | 56,968 |
| Dods & McNair Memorial Forest | - | 5,945 | 5,479 |
| Capital Projects - Peel | 1,284,919 | 905,130 | 977,420 |
| Enforcement Project - Peel | 133,883 | 124,173 | 108,533 |
| | 2,131,582 | 1,836,779 | 1,589,203 |
| | \$ 4,152,902 | \$ 3,767,806 | \$ 3,223,705 |

Credit Valley Conservation Authority
Conservation Areas Programming Expenses
Schedule F

For the year ended December 31, 2021 with comparative information for 2020

| | 2021 Budget (Note 2) | 2021 Actual | 2020 Actual |
|----------------------------------|-------------------------|--------------|--------------|
| Belfountain | \$ 26,762 | \$ 27,758 | \$ 206,101 |
| Island Lake | 974,500 | 1,024,411 | 880,157 |
| Ken Whillans RMA | 269,567 | 256,177 | 259,126 |
| Terra Cotta | 879,192 | 841,999 | 652,753 |
| Badlands | 108,393 | 166,551 | 51,779 |
| Conservation Areas - Memberships | 9,272 | 11,173 | 7,882 |
| | \$ 2,267,686 | \$ 2,328,069 | \$ 2,057,798 |

Credit Valley Conservation Authority
Corporate Communications & Education Expenses
Schedule G

For the year ended December 31, 2021 with comparative information for 2020

| | | 2021 Budget (Note 2) | 2021 Actual | 2020 Actual |
|-------------------------------------|----|-------------------------|--------------|--------------|
| Information Technology | \$ | (643,054) | \$ (287,022) | \$ (577,636) |
| Corporate Communications | | 514,846 | 498,544 | 498,287 |
| Foundation Administration | | 427,654 | 169,591 | 292,875 |
| Public Relations | | 486,632 | 516,959 | 468,930 |
| Corporate Support Initiatives | | 631,182 | 577,363 | 522,433 |
| Community Education | | 226,313 | 170,496 | 177,692 |
| Environmental Education | | 545,948 | 608,807 | 592,683 |
| Conservation Authorities University | | - | 29,882 | 907 |
| | \$ | 2,189,521 | \$ 2,284,620 | \$ 1,976,171 |

Credit Valley Conservation Authority
Environmental Advisory Services Expenses
Schedule H

For the year ended December 31, 2021 with comparative information for 2020

| | 2021 Budget (Note 2) | 2021 Actual | 2020 Actual |
|-----------------------------|-------------------------|---------------------|---------------------|
| Plan Input | \$ 847,561 | \$ 773,621 | \$ 776,274 |
| Plan Review | 1,344,442 | 1,294,302 | 1,349,216 |
| Environmental Approvals | 289,432 | 311,377 | 302,116 |
| Peel Predevelopment Support | 536,656 | 479,929 | 473,360 |
| EA Review | 420,591 | 442,789 | 394,871 |
| | <u>\$ 3,438,682</u> | <u>\$ 3,302,018</u> | <u>\$ 3,295,837</u> |

Credit Valley Conservation Authority
Corporate Services Expenses
Schedule I

For the year ended December 31, 2021 with comparative information for 2020

| | 2021 Budget (Note 2) | 2021 Actual | 2020 Actual |
|--|-------------------------|-------------|--------------|
| Corporate Management | \$ 1,058,704 | \$ 995,453 | \$ 1,153,775 |
| Staff Allocations to Special Projects | (238,438) | (56,916) | (84,384) |
| Overhead Allocations to Special Projects | (3,281,064) | (3,263,707) | (3,349,989) |
| (Gain)/Loss on Disposal of TCA | - | (1,323) | (62,247) |
| (Gain)/Loss on Foreign Exchange | - | 964 | 2,186 |
| Interest Expense | 285,049 | 287,228 | 296,536 |
| Amortization Expense | - | 1,397,690 | 1,434,740 |
| Office Support Services | 153,695 | 32,663 | 62,423 |
| Financial Services | 711,285 | 705,770 | 723,972 |
| Human Resources | 815,809 | 748,231 | 671,427 |
| Green Infrastructure Ontario Coalition Administration | - | 109,520 | 104,716 |
| | \$ (494,960) | \$ 955,573 | \$ 953,155 |

Credit Valley Conservation Authority
Continuity of Reserves
Schedule J

For the year ended December 31, 2021 with comparative information for 2020

| 2021 | Balance, December 31, 2020 | Appropriation (to) from Operations | Balance, December 31, 2021 |
|--|----------------------------------|---------------------------------------|----------------------------------|
| Gauge Reserve | \$ 440,532 | \$ 125,000 | \$ 565,532 |
| Facility Reserve | 124,800 | 10,000 | 134,800 |
| Parks Revenue Reserve | 41,600 | 6,600 | 48,200 |
| Conservation Areas Reserve | 109,241 | 13,400 | 122,641 |
| Credit Valley Trail | 142,736 | - | 142,736 |
| Capital Assets Reserve | 10,997,952 | 1,397,690 | 12,395,642 |
| Jacquith Property | 8,060 | - | 8,060 |
| Vehicle Reserve | 606,031 | 157,721 | 763,752 |
| Equipment Reserve | 646,814 | (24,514) | 622,300 |
| Land Acquisition/Management MNR | - | - | - |
| Computer (IT/IM) Reserve | 181,796 | 40,000 | 221,796 |
| Peel Restoration Reserve | 100,000 | 102,780 | 202,780 |
| Administrative Reserve | 300,000 | 14,898 | 314,898 |
| Watershed Restoration Reserve | - | 136,152 | 136,152 |
| ILCA Management Plan | - | 30,000 | 30,000 |
| | 13,699,562 | 2,009,727 | 15,709,289 |
| Operating Fund | (13,264,446) | (1,499,337) | (14,763,783) |
| Invested in Tangible Capital Assets Prior 2009 PSAB 3150 | 31,348,572 | - | 31,348,572 |
| Invested in Tangible Capital Assets Post 2008 PSAB 3150 | 17,913,540 | 5,326,457 | 23,239,997 |
| | \$ 49,697,228 | \$ 5,836,847 | \$ 55,534,075 |

| 2020 | Balance, December 31, 2019 | Appropriation (to) from Operations | Balance, December 31, 2020 |
|---|----------------------------------|---------------------------------------|-------------------------------|
| Gauge Reserve | \$ 417,500 | \$ 23,032 | \$ 440,532 |
| Facility Reserve | 160,000 | (35,200) | 124,800 |
| Parks Revenue Reserve | 35,000 | 6,600 | 41,600 |
| Conservation Areas Reserve | 95,841 | 13,400 | 109,241 |
| Credit Valley Trail | 2,736 | 140,000 | 142,736 |
| Capital Assets Reserve | 9,563,211 | 1,434,741 | 10,997,952 |
| Jacquith Property | 8,060 | - | 8,060 |
| Vehicle Reserve | 630,245 | (24,214) | 606,031 |
| Equipment Reserve | 611,100 | 35,714 | 646,814 |
| Land Acquisition/Management MNR | 37,409 | (37,409) | - |
| Computer (IT/IM) Reserve | 46,828 | 134,968 | 181,796 |
| Peel Restoration Reserve | - | 100,000 | 100,000 |
| Administrative Reserve | - | 300,000 | 300,000 |
| | 11,607,930 | 2,091,632 | 13,699,562 |
| Operating Fund | (12,180,637) | (1,083,809) | (13,264,446) |
| Invested in Tangible Capital Assets- Prior 2009 PSAB 3150 | 31,348,572 | - | 31,348,572 |
| Invested in Tangible Capital Assets- Post 2008 PSAB 3150 | 15,729,645 | 2,183,895 | 17,913,540 |
| | \$ 46,505,510 | \$ 3,191,718 | \$ 49,697,228 |

ONTARIO ENERGY BOARD NOTICE TO CUSTOMERS OF ENBRIDGE GAS INC.

**Enbridge Gas Inc. has applied to dispose of
the balances of certain deferral and variance accounts.**

Learn more. Have your say.

If the application is approved as filed, a typical residential customer of Enbridge Gas Inc. will see the following one-time billing adjustment, effective January 1, 2023:

EGD Rate Zone (former Enbridge Gas Distribution Inc. customers)

- **Residential Rate 1 Sales Service and Direct Purchase** customers will see a one-time billing charge of \$5.01, effective January 1, 2023.

Union Rate Zone (former Union Gas Limited customers)

- **Union South Residential Rate M1 Sales Service** customers will see a one-time billing charge of \$9.34, effective January 1, 2023.
- **Union South Residential Rate M1 Direct Purchase** customers will see a one-time billing charge of \$1.91, effective January 1, 2023.
- **Union North-West Residential Rate 01 Sales Service and Direct Purchase** customers will receive a one-time billing credit of \$17.33, effective January 1, 2023.
- **Union North-East Residential Rate 01 Sales Service and Direct Purchase** customers will see a one-time billing charge of \$7.78, effective January 1, 2023.

Other customers, including businesses, may also be affected.

Under the OEB-approved Earnings Sharing Mechanism, Enbridge Gas Inc. is required to share with customers any earnings that are 150 basis points over the OEB-approved return on equity. Enbridge Gas Inc. says that its 2021 earnings were below the 150 basis point threshold and as a result it is not proposing to share any earnings with customers.

THE ONTARIO ENERGY BOARD WILL HOLD A PUBLIC HEARING

The Ontario Energy Board (OEB) will hold a public hearing to consider Enbridge Gas's application. During this hearing, which could be an oral or written hearing, we will review Enbridge Gas's 2021 earnings and the deferral account balances that are requested for disposition. We will also hear questions and arguments from individuals that have registered to participate (called intervenors) in the OEB's hearing. At the end of this hearing, the OEB will decide whether to approve Enbridge Gas's request to dispose of the deferral account balances.

The OEB is an independent and impartial public agency. We make decisions that serve the public interest. Our goal is to promote a financially viable and efficient energy sector that provides you with reliable energy services at a reasonable cost.

BE INFORMED AND HAVE YOUR SAY

You have the right to information regarding this application and to be involved in the process.

- You can review Enbridge Gas's application on the OEB's website now
- You can file a letter with your comments, which will be considered during the hearing
- You can become an intervenor. As an intervenor, you can ask questions about Enbridge Gas's application and make arguments on whether the OEB should approve Enbridge Gas's request. Apply by **July 8, 2022** or the hearing will go ahead without you and you will not receive any further notice of the proceeding
- At the end of the process, you can review the OEB's decision and its reasons on our website

The OEB intends to consider cost awards in this proceeding that are in accordance with the Practice Direction on Cost Awards and only in relation to the following:

1) The review of the following deferral and variance accounts:

EGD Rate Zone (former Enbridge Gas Distribution Inc.) Accounts

- Storage and Transportation Deferral Account
- Transactional Services Deferral Account
- Unaccounted for Gas Variance Account
- Average Use True-Up Variance Account
- Deferred Rebate Account
- Transition Impact of Accounting Changes Deferral Account
- OEB Cost Assessment Variance Account
- Dawn Access Costs Deferral Account

Union Rate Zones (former Union Gas Limited) Accounts

- Upstream Transportation Optimization Deferral Account
- Unabsorbed Demand Costs Variance Account
- Short-Term Storage and Other Balancing Services
- Normalized Average Consumption Deferral Account
- Deferral Clearing Variance Account Variance Account
- OEB Cost Assessment Variance Account
- Parkway West Project Costs Deferral Account
- Lobo D/Bright C/Dawn H Compressor Project Costs Deferral Account
- Panhandle Reinforcement Project Costs Deferral Account
- Unaccounted for Gas Volume Variance Account
- Unaccounted for Gas Price Variance Account

Enbridge Gas Inc. Accounts

- Tax Variance - Accelerated Capital Cost Allowance – Enbridge Gas Inc.
- Integrated Resource Planning Operating Costs Deferral Account

- 2) The review of Enbridge Gas Inc.'s 2021 earnings, earnings sharing calculations and the 2021 Performance Scorecard.
- 3) The review of the methodology for the allocation and disposition of the deferral and variance account balances.

LEARN MORE

These proposed charges relate to Enbridge Gas's distribution services. The above referenced billing adjustment will appear as a separate line on your bill. Our file number for this case is **EB-2022-0110**. To learn more about this hearing, find instructions on how to file a letter with your comments or become an intervenor, or to access any document related to this case, please select the file number **EB-2022-0110** from the list on the OEB website: www.oeb.ca/notice. You can also phone our Public Information Centre at 1-877-632-2727 with any questions.

ORAL VS. WRITTEN HEARINGS

There are two types of OEB hearings – oral and written. Enbridge Gas has applied for a written hearing. The OEB will determine at a later date whether to proceed by way of a written or oral hearing. If you think an oral hearing is needed, you can write to the OEB to explain why by **July 8, 2022**.

PRIVACY

If you write a letter of comment, your name and the content of your letter will be put on the public record and the OEB website. However, your personal telephone number, home address and email address will be removed. If you are a business, all your information will remain public. If you apply to become an intervenor, all information will be public.

This rate hearing will be held under section 36 of the Ontario Energy Board Act, 1998, S.O. 1998, c.15, Schedule B.



Ontario
Energy
Board | Commission
de l'énergie
de l'Ontario

June 17, 2022

VIA RESS AND EMAIL

Nancy Marconi
Registrar
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Nancy Marconi:

**Re: Enbridge Gas Inc. (Enbridge Gas)
Ontario Energy Board (OEB) File No.: EB-2022-0110
2021 Utility Earnings and Disposition of Deferral & Variance Account
Balances Application and Evidence**

Further to the submission filed on May 31, 2022, enclosed please find the following updated exhibits:

| Exhibit | Correction |
|---------------------|--|
| B-3-1, Page 2 and 6 | <p>The 2021 Actual balance for Corporate Shared Services and Compensation and Benefits were misstated, resulting in an incorrect \$ and % change for those categories. There was no impact on Total Utility O&M.</p> <p>An updated Table 1 and Appendix A has been provided.</p> |

In the event that you have any questions on the above or would like to discuss in more detail, please do not hesitate to contact me.

Sincerely,

(Original Digitally Signed)

Richard Wathy
Technical Manager, Regulatory Applications

cc.: D. Stevens (Aird & Berlis)

EXHIBIT LIST

A – Overview and Introduction

| <u>Exhibit</u> | <u>Tab</u> | <u>Schedule</u> | <u>Contents</u> |
|----------------|------------|-----------------|---------------------------------|
| A | 1 | | Exhibit List |
| | 2 | | Application |
| | 3 | | Overview and Approvals Required |

B- Utility Results and Earning Sharing

| <u>Exhibit</u> | <u>Tab</u> | <u>Schedule</u> | <u>Contents</u> |
|----------------|------------|-----------------|--|
| B | 1 | | 2021 Earnings Sharing Amount and Determination Process |
| | | 1 | Return on Rate Base & Equity and Earning Sharing Determination |
| | | 2 | Utility Income |
| | | 3 | Utility Income Tax |
| | | 4 | Utility Rate Base and Continuity Schedules |
| | | 5 | Capital Structure and Cost of Capital |
| | | 6 | Reconciliation of Audited Income to Corporate |
| | 2 | 1 | Delivery Revenue by Service Type and Rate Class |
| | | 2 | Total Customers and Revenue by Service Type and Rate Class |

B- Utility Results and Earning Sharing

| <u>Exhibit</u> | <u>Tab</u> | <u>Schedule</u> | <u>Contents</u> |
|----------------|------------|-----------------|--|
| B | 2 | 3 | Revenue from Regulated Storage and Transportation of Gas |
| | | 4 | Other Revenue |
| | 3 | 1 | Operating and Maintenance Expense |
| | | 2 | Capital Expenditure |
| | | 3 | Summary of Capital Cost Allowance |

C- Enbridge Gas Inc 2021 Deferral and Variance Accounts

| <u>Exhibit</u> | <u>Tab</u> | <u>Schedule</u> | <u>Contents</u> |
|----------------|------------|-----------------|---|
| C | 1 | | Enbridge Gas Inc Deferral and Variance Accounts |
| | | 1 | Deferral and Variance Actual and Forecast Balances |
| | | 2 | Summary of Accounting Policy Changes Deferral Account |
| | | 3 | Calculation of Bill C-97 Accelerated CCA Impact on TVDA |

D - EGD Rate Zone Deferral and Variance Accounts

| <u>Exhibit</u> | <u>Tab</u> | <u>Schedule</u> | <u>Contents</u> |
|----------------|------------|-----------------|--|
| D | 1 | | Deferral & Variance Accounts Requested for Clearance – EGD Rate Zone |
| | | 1 | Breakdown of the Storage and Transportation Deferral Account |
| | | 2 | Breakdown of Transactional Services Revenue by Type of Transaction |
| | | 3 | 2021 UAFVA |
| | | 4 | Breakdown of the Average Use True-up Variance Account |
| | | 5 | Storage RFP Letter |
| | | 6 | Storage RFP Summary (Redacted) |

E – Union Rate Zones Deferral and Variance Accounts

| <u>Exhibit</u> | <u>Tab</u> | <u>Schedule</u> | <u>Contents</u> |
|----------------|------------|-----------------|---|
| E | 1 | | Deferral & Variance Accounts Requested for Clearance – Union Rate Zones |
| | | 1 | Breakdown of Upstream Transportation Optimization Deferral Account |
| | | 2 | Breakdown of Short Term Storage Deferral Account |
| | | | Appendix A – 2021 Storage Space and Deliverability |
| | | 3 | Summary of Non-Utility Storage Balances |

E – Union Rate Zones Deferral and Variance Accounts

| <u>Exhibit</u> | <u>Tab</u> | <u>Schedule</u> | <u>Contents</u> |
|----------------|------------|-----------------|--|
| E | 1 | 4 | Allocation of Short Term Peak Storage Revenues between Utility/Non-Utility |
| | | 5 | Breakdown of Deferral Clearing Variance Account |
| | | 6 | Calculation of Balances by Rate Class in the NAC Deferral Account |
| | | 7 | Calculation of Allocation of Short Term Transportation Revenues to the Lobo D / Bright C / Dawn H Compressor Project Cost Deferral Account |

F – Rate Allocation

| <u>Exhibit</u> | <u>Tab</u> | <u>Schedule</u> | <u>Contents</u> |
|----------------|------------|-----------------|---|
| F | 1 | | Allocation and Disposition of 2020 Deferral and Variance Account Balances |
| | | 1 | Split of EGI Account Balances to Rate Zones |
| | 2 | 1 | EGD - Unit Rate and Type of Service |
| | | 2 | EGD - Balances to be Cleared |
| | | 3 | EGD - Classification and Allocation of Deferral and Variance Account Balances |
| | | 4 | EGD - Allocation by Type of Service |
| | | 5 | EGD - Unit Rate by Type of Service |
| | | 6 | EGD - Bill Adjustment for Typical Customers |

F – Rate Allocation

| <u>Exhibit</u> | <u>Tab</u> | <u>Schedule</u> | <u>Contents</u> |
|----------------|------------|-----------------|---|
| F | 3 | 1 | Union – Unit Rate and Type of Service |
| | | 2 | Union - Balances to be Cleared |
| | | 3 | Union – Classification and Allocation of Deferral Variance Account Balances |
| | | 4 | Union - Unit Rates for Disposition |
| | | 5 | Union - Bill Adjustment for Typical Customer |

G – OEB Scorecard

| <u>Exhibit</u> | <u>Tab</u> | <u>Schedule</u> | <u>Contents</u> |
|----------------|------------|-----------------|------------------------|
| G | 1 | | 2021 Scorecard Results |
| | | 1 | OEB Scorecard |

H – IRP Annual Report

| <u>Exhibit</u> | <u>Tab</u> | <u>Schedule</u> | <u>Contents</u> |
|----------------|------------|-----------------|--|
| H | 1 | | IRP Annual Report and IRP Technical Working Group Report |

/u

ONTARIO ENERGY BOARD

IN THE MATTER OF the *Ontario Energy Board Act*, 1998, S.O. 1998, c.15 (Schedule. B);

AND IN THE MATTER OF an Application by Enbridge Gas Inc. for an order or orders clearing certain commodity and non-commodity related deferral or variance accounts.

APPLICATION

1. Enbridge Gas Distribution Inc. (referred to in the evidence as EGD, Enbridge or the Company) and Union Gas Limited (referred to in the evidence as Union or the Company) (together the Utilities) were Ontario corporations incorporated under the laws of the Province of Ontario carrying on the business of selling, distributing, transmitting and storing natural gas within the meaning assigned in the *Ontario Energy Board Act*, 1998 (the Act). In the August 30, 2018 EB-2017-0306/0307 Decision and Order (the MAADs Decision), the Ontario Energy Board (OEB) approved the amalgamation of the Utilities, as well as a five-year deferred rebasing term during which a price cap rate-setting model would apply.
2. Effective January 1, 2019 the Utilities amalgamated to become Enbridge Gas Inc. (Enbridge Gas). Following amalgamation, Enbridge Gas has maintained the existing rates zones of EGD and Union (the EGD, Union North West, Union North East and Union South rate zones).¹ Enbridge Gas has also maintained most of the existing deferral and variance accounts for each Rate Zone.

¹ Collectively the Union North West, Union North East and Union South rates zones are referred to as "Union rate zones". Union North West and Union North East are collectively referred to as "Union North".

3. Enbridge Gas, the Applicant, hereby applies to the OEB, pursuant to Section 36 of the *Ontario Energy Board Act*, 1998, for an Order or Orders approving the clearance or disposition of amounts recorded in certain deferral or variance accounts.

Earnings Sharing

4. In the MAADs Decision, the OEB approved, among other things, an asymmetrical earnings sharing mechanism (ESM) during the deferred rebasing period, where each year any earnings in excess of 150 basis points over the OEB-approved return on equity (ROE) would be shared 50/50 between the Utilities and ratepayers.
5. In 2021, Enbridge Gas's actual utility earnings did not exceed the OEB-approved ROE by more than 150 basis points. Accordingly, no ESM amount is proposed to be shared with ratepayers.

Enbridge Gas Inc.

6. The OEB has approved several deferral and variance accounts that relate to Enbridge Gas as a whole (and not to specific Rate Zone(s)). These accounts are listed at Exhibit C, Tab 1, Schedule 1.
7. Enbridge Gas proposes to clear the 2021 balance in the Tax Variance Deferral Account (TVDA). Enbridge Gas is not seeking approval to clear any part of the balance in the Accounting Policy Changes Deferral Account (APCDA), in the Covid-19 Emergency Incremental Cost Deferral Account (COVEICDA) and in the Incremental Capital Module Deferral Account (ICMDA). Details on these accounts are presented in this application for information purposes. The balances in these accounts will be brought forward for clearance in a future application.

EGD Rate Zone

8. As approved in the MAADs Decision and the 2019 Rates Case (EB-2018-0305), Enbridge Gas has maintained substantially the same deferral and variance accounts for the EGD rate zone as during its 2014-2018 Custom IR term.
9. Enbridge Gas seeks approval to clear the final balances of certain EGD rate zone deferral and variance accounts for 2021 as set out at Exhibit C, Tab 1, Schedule 1.

Union Rate Zones

10. As approved in the MAADs Decision and the 2019 Rates Case (EB-2018-0305), Enbridge Gas has maintained substantially the same deferral and variance accounts for the Union Rate Zones as during its 2014-2018 IR term.
11. Enbridge Gas seeks approval to clear the final balances of certain Union rate zones deferral and variance accounts for 2021 as set out at Exhibit C, Tab 1, Schedule 1.

Relief Requested

12. Enbridge Gas therefore applies to the OEB for such final, interim or other orders as may be necessary or appropriate for the clearance or disposition of the 2021 deferral and variance accounts requested in Exhibit C, Tab 1, Schedule 1. The proposed manner of disposition is described at Exhibit F. Enbridge Gas proposes to clear the balances in these accounts with the first available QRAM application following the OEB's approval, as early as January 1, 2023.
13. Enbridge Gas requests that certain information included at Exhibit D, Tab 1, Schedule 6 be treated as confidential under the OEB's Practice Direction on Confidential Filings. Equivalent information has been treated as confidential in prior deferral and variance account clearance proceedings.

14. Enbridge Gas requests that this proceeding be heard in writing.
15. Enbridge Gas further applies to the OEB pursuant to the provisions in the Act and the OEB's *Rules of Practice and Procedure* for such final, interim or other Orders and directions as may be appropriate in relation to the Application and the proper conduct of this proceeding.
16. This Application is supported by written evidence. This evidence may be amended from time to time as required by the OEB, or as circumstances may require.
17. The persons affected by this application are the customers resident or located in the municipalities, police villages and First Nations reserves served by Enbridge Gas, together with those to whom Enbridge Gas sells gas, or on whose behalf Enbridge Gas distributes, transmits or stores gas. It is impractical to set out in this application the names and addresses of such persons because they are too numerous.
18. Enbridge Gas requests that a copy of every document filed with the OEB in this proceeding be served on the Applicant and Applicant's counsel, as follows:

The Applicant:

Mr. Richard Wathy
Technical Manager, Regulatory Applications
Enbridge Gas Inc.

| | |
|------------------------------|---|
| Address for personal service | Enbridge Gas Inc. P. O. Box 2001 50 Keil Drive North Chatham, ON N7M 5M1 |
|------------------------------|---|

| | |
|------------|--|
| Telephone: | 519-365-5376 |
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- and –

The Applicant's counsel:

Mr. David Stevens
Aird & Berlis LLP

Address for personal service
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DATED: May 31, 2022, at Chatham, Ontario

ENBRIDGE GAS INC.

[Original digitally signed by]

Richard Wathy
Technical Manager, Regulatory
Applications

2021 DEFERRAL ACCOUNT DISPOSITION AND EARNINGS SHARING OVERVIEW AND APPROVALS REQUESTED

1. Enbridge Gas Inc. (Enbridge Gas) is applying to the Ontario Energy Board (OEB) pursuant to section 36 of the *OEB Act* for approval to dispose and recover certain 2021 deferral and variance account final balances for Enbridge Gas, and the Enbridge Gas Distribution (EGD) and Union Gas (Union)¹ rate zones. Enbridge Gas is also presenting the 2021 earnings sharing mechanism (ESM) calculations for the amalgamated utility.
2. The evidence in this Application is organized as follows:
 - Exhibit A: Overview and Introduction
 - Exhibit B: 2021 Utility Results and Earnings Sharing Amount
 - Exhibit C: Enbridge Gas Inc. 2021 Deferral and Variance Accounts
 - Exhibit D: EGD Rate Zone Deferral and Variance Accounts
 - Exhibit E: Union Rate Zones Deferral and Variance Accounts
 - Exhibit F: Rate Allocation
 - Exhibit G: OEB Scorecard
 - Exhibit H: IRP Annual Report (to be filed at a later date)
3. Enbridge Gas proposes that the impacts which result from the disposition of 2021 deferral and variance account balances be implemented with the first available QRAM application following the OEB's approval, as early as January 1, 2023, to align with other rate changes implemented through the Quarterly Rate Adjustment Mechanism (QRAM).

¹ "Union rate zones" collectively refers to Union North West, Union North East and Union South.

1. Relief requested

4. Enbridge Gas seeks approval to clear the final balances of certain Enbridge Gas, EGD rate zone, and Union rate zones 2021 deferral and variance accounts. The balances of the 2021 deferral and variance accounts are set out at Exhibit C, Tab 1, Schedule 1. For ease of reference, a copy of Exhibit C, Tab 1, Schedule 1 is attached at Appendix A to this exhibit.
5. Explanations for the balances in each account are set out at Exhibit C (Enbridge Gas Inc.), Exhibit D (EGD rate zone) and Exhibit E (Union rate zones). The evidence also indicates which accounts Enbridge Gas does not seek to clear in this proceeding. The proposed clearance methodology for the accounts being cleared is set out at Exhibit F.
6. In the MAADs Decision (EB-2017-0306/0307), the OEB approved, among other things, an asymmetrical earnings sharing mechanism (ESM) during the 2019-2023 deferred rebasing period, where each year any earnings in excess of 150 basis points over the OEB-approved return on equity (ROE) would be shared 50/50 between Enbridge Gas and ratepayers.
7. Enbridge Gas's actual 2021 utility earnings did not exceed the OEB-approved ROE by more than 150 basis points. Accordingly, no ESM amount is proposed to be shared with ratepayers.

2. Disposition of deferral and variance accounts

8. Integration of the legacy billing systems for EGD and Union Gas enables Enbridge Gas to dispose of balances in the 2021 deferral and variance accounts as a one-time adjustment for all customers. Enbridge Gas proposes to dispose of the 2021 deferral

and variance accounts as a one-time adjustment for all general service, in-franchise contract and ex-franchise rate classes.

9. The proposed approach to the one-time adjustment is consistent between the EGD and Union rate zones and, subject to OEB approval as to timing, will be disposed of as part of the January 2023 bills that customers receive in February 2023.

3. Parkway west project costs account interim disposition

10. Enbridge Gas is seeking interim disposition of the 2021 balance in the Parkway West Project Costs Deferral Account (179-136), consistent with the 2016 to 2020 deferral and variance account disposition proceedings. In the 2016 deferral account proceeding, the OEB noted that “all parties agreed that the 2016 balance in the Parkway West Project Costs Account should be disposed of only on an interim basis to allow the OEB to perform a prudence review of the capital overspend prior to final disposition of the balance in the account.”² Consistent with this direction, Enbridge Gas will seek approval of the final disposition of this account as part of a subsequent proceeding when all the project costs have been incurred and the prudence of the project costs are assessed.

² EB-2017-0091 Updated Settlement Agreement Proposal, page 12.

**ENBRIDGE GAS
DEFERRAL & VARIANCE ACCOUNT
ACTUAL & FORECAST BALANCES**

| | | | Col. 1 | Col. 2 | Col. 3 | Col. 4 |
|--|---|-----------------|--|--------------------|-----------------|-------------------------|
| | | | Forecast for clearance at January 1, 2023 | | | |
| Line No. | Account Description | Account Acronym | Principal (\$000's) | Interest (\$000's) | Total (\$000's) | Reference |
| <u>EGD Rate Zone Commodity Related Accounts</u> | | | | | | |
| 1. | Storage and Transportation D/A | 2021 S&TDA | 7,942.5 | 97.0 | 8,039.5 | D-1, Page 2 |
| 2. | Transactional Services D/A | 2021 TSDA | (3,904.1) | (35.4) | (3,939.6) | D-1, Page 4 |
| 3. | Unaccounted for Gas V/A | 2021 UAFVA | 753.9 | 4.5 | 758.4 | D-1, Page 6 |
| 4. | Total commodity related accounts | | 4,792.2 | 66.2 | 4,858.4 | |
| <u>EGD Rate Zone Non Commodity Related Accounts</u> | | | | | | |
| 5. | Average Use True-Up V/A | 2021 AUTUVA | 14,934.3 | 135.5 | 15,069.8 | D-1, Page 10 |
| 6. | Gas Distribution Access Rule Impact D/A | 2021 GDARIDA | - | - | - | D-1, Page 23 |
| 7. | Deferred Rebate Account | 2021 DRA | 4,359.4 | 53.5 | 4,412.9 | D-1, Page 12 |
| 8. | Transition Impact of Accounting Changes D/A | 2021 TIACDA | 4,435.8 | - | 4,435.8 | D-1, Page 1 |
| 9. | Electric Program Earnings Sharing D/A | 2021 EPESDA | - | - | - | D-1, Page 23 |
| 10. | Open Bill Revenue V/A | 2021 OBRVA | - | - | - | D-1, Page 23 |
| 11. | Ex-Franchise Third Party Billing Services V/A | 2021 EXFTPBSVA | - | - | - | D-1, Page 23 |
| 12. | RNG Injection Service V/A | 2021 RNGISVA | - | - | - | D-1, Page 23 |
| 13. | OEB Cost Assessment V/A | 2021 OEBCAVA | 2,550.3 | 31.5 | 2,581.8 | D-1, Page 13 |
| 14. | Dawn Access Costs D/A | 2021 DACDA | 1,968.0 | 17.9 | 1,985.9 | D-1, Page 16 |
| 15. | Pension and OPEB Forecast Accrual vs. Actual Cash Payment Di 2021 P&OPEBFAVACPDVA | | - | - | - | D-1, Page 23 |
| 16. | Total EGD Rate Zone (for clearance) | | 33,040.0 | 304.5 | 33,344.6 | |
| <u>Union Rate Zones Gas Supply Accounts</u> | | | <u>OEB Account Number</u> | | | |
| 17. | Upstream Transportation Optimization | 179-131 | 2021 | 8,616.3 | 78.2 | 8,694.5 E-1, Page 6 |
| 18. | Spot Gas Variance Account | 179-107 | 2021 | - | - | - E-1, Page 58 |
| 19. | Unabsorbed Demand Costs Variance Account | 179-108 | 2021 | (1,665.6) | (28.3) | (1,693.9) E-1, Page 1 |
| 20. | Base Service North T-Service TransCanada Capacity | 179-153 | 2021 | 83.5 | 0.9 | 84.4 E-1, Page 52 |
| 21. | Total Gas Supply Accounts | | | 7,034.2 | 50.8 | 7,085.0 |
| <u>Union Rate Zones Storage Accounts</u> | | | | | | |
| 22. | Short-Term Storage and Other Balancing Services | 179-70 | 2021 | 3,576.9 | 32.5 | 3,609.4 E-1, Page 8 |
| <u>Union Rate Zones Other Accounts</u> | | | | | | |
| 23. | Normalized Average Consumption | 179-133 | 2021 | 18,997.4 | 239.4 | 19,236.8 E-1, Page 13 |
| 24. | Deferral Clearing Variance Account | 179-132 | 2021 | (3,120.4) | (45.3) | (3,165.7) E-1, Page 21 |
| 25. | OEB Cost Assessment Variance Account | 179-151 | 2021 | 907.1 | 11.4 | 918.5 E-1, Page 49 |
| 26. | Unbundled Services Unauthorized Storage Overrun | 179-103 | 2021 | - | - | - E-1, Page 58 |
| 27. | Gas Distribution Access Rule Costs | 179-112 | 2021 | - | - | - E-1, Page 58 |
| 28. | Conservation Demand Management | 179-123 | 2021 | - | - | - E-1, Page 58 |
| 29. | Parkway West Project Costs | 179-136 | 2021 | (603.3) | (6.4) | (609.7) E-1, Page 25 |
| 30. | Brantford-Kirkwall/Parkway D Project Costs | 179-137 | 2021 | (45.0) | (0.4) | (45.4) E-1, Page 29 |
| 31. | Lobo C Compressor/Hamilton-Milton Pipeline Project Costs | 179-142 | 2021 | 24.0 | 0.4 | 24.4 E-1, Page 41 |
| 32. | Lobo D/Bright C/Dawn H Compressor Project Costs | 179-144 | 2021 | (112.1) | (3.6) | (115.7) E-1, Page 44 |
| 33. | Burlington-Oakville Project Costs | 179-149 | 2021 | (51.0) | (0.5) | (51.5) E-1, Page 47 |
| 34. | Panhandle Reinforcement Project Costs | 179-156 | 2021 | (3,162.0) | (35.9) | (3,197.9) E-1, Page 53 |
| 35. | Sudbury Replacement Project | 179-162 | 2021 | - | - | - E-1, Page 58 |
| 36. | Parkway Obligation Rate Variance | 179-138 | 2021 | - | - | - E-1, Page 58 |
| 37. | Unauthorized Overrun Non-Compliance Account | 179-143 | 2021 | - | - | - E-1, Page 58 |
| 38. | Pension and OPEB Forecast Accrual vs. Actual Cash Payment Di | 179-157 | 2021 | - | (1,345.6) | (1,345.6) E-1, Page 56 |
| 39. | Unaccounted for Gas Volume Variance Account | 179-135 | 2021 | 20,501.3 | 176.9 | 20,678.2 E-1, Page 31 |
| 40. | Unaccounted for Gas Price Variance Account | 179-141 | 2021 | 3,358.3 | 31.8 | 3,390.1 E-1, Page 38 |
| 41. | Total Other Accounts | | | 36,694.3 | (977.8) | 35,716.5 |
| 42. | Total Union Rate Zones (for clearance) | | | 47,305.4 | (894.6) | 46,410.8 |
| <u>EGI Accounts</u> | | | | | | |
| 43. | Earnings Sharing D/A | 179-382 | 2021 | - | - | - C-1, Page 1 |
| 44. | Tax Variance - Accelerated CCA - EGI | 179-383 | 2021 | (19,162.6) | (227.2) | (19,389.8) C-1, Page 12 |
| 45. | IRP Operating Costs Deferral Account | 179-385 | 2021 | 57.7 | 0.5 | 58.2 C-1, Page 15 |
| 46. | IRP Capital Costs Deferral Account | 179-386 | 2021 | - | - | - C-1, Page 1 |
| 47. | Expansion of Natural Gas Distribution Systems V/A | 179-380 | 2021 | - | - | - C-1, Page 1 |
| 48. | Total EGI Accounts (for clearance) | | | (19,104.9) | (226.7) | (19,331.6) |
| 49. | Total Deferral and Variance Accounts (for clearance) | | | 61,240.5 | (816.7) | 60,423.8 |
| <u>Not Being Requested for Clearance</u> | | | | | | |
| 50. | Accounting Policy Changes D/A - Pension - EGI | 179-120 | 2021 | 169,431.8 | - | 169,431.8 C-1, Page 2 |
| 51. | Accounting Policy Changes D/A - Other - EGI | 179-120 | 2019 | (1,749.5) | (52.8) | (1,802.3) C-1, Page 2 |
| 52. | Accounting Policy Changes D/A - Other - EGI | 179-120 | 2020 | (14,789.5) | (249.4) | (15,038.9) C-1, Page 2 |
| 53. | Accounting Policy Changes D/A - Other - EGI | 179-120 | 2021 | (13,864.6) | (168.8) | (14,033.4) C-1, Page 2 |
| 54. | Tax Variance - Integration Capital Additions - EGI | 179-383 | 2020 | (3,736.3) | (28.6) | (3,764.8) C-1, Page 12 |
| 55. | Tax Variance - Integration Capital Additions - EGI | 179-383 | 2021 | (10,462.6) | (80.0) | (10,542.7) C-1, Page 12 |
| 56. | Incremental Capital Module Deferral Account - EGD | 2020 ICMDA | 2020 | (254.0) | (3.2) | (257.2) C-1, Page 1 |
| 57. | Incremental Capital Module Deferral Account - EGD | 2021 ICMDA | 2021 | 175.5 | 2.0 | 177.5 C-1, Page 1 |
| 58. | Incremental Capital Module Deferral Account - UGL | 179-159 | 2019 | (6,869.6) | (196.1) | (7,065.7) C-1, Page 1 |
| 59. | Incremental Capital Module Deferral Account - UGL | 179-159 | 2020 | (5,615.4) | (91.9) | (5,707.2) C-1, Page 1 |
| 60. | Incremental Capital Module Deferral Account - UGL | 179-159 | 2021 | (14,353.4) | (147.2) | (14,500.6) C-1, Page 1 |
| 61. | Impacts Arising from the COVID-19 Emergency D/A - EGI | 2020 IACEDA | 2020 | 1,377.5 | 20.3 | 1,397.8 C-1, Page 1 |
| 62. | Impacts Arising from the COVID-19 Emergency D/A - EGI | 2021 IACEDA | 2021 | 34.3 | 0.4 | 34.7 C-1, Page 1 |
| 63. | Total of Accounts not being requested for clearance | | | 99,324.2 | (995.3) | 98,328.9 |

2021 ENBRIDGE GAS INC. EARNINGS SHARING AMOUNT
AND DETERMINATION PROCESS

1. For the year ended December 31, 2021, Enbridge Gas Inc. (Enbridge Gas, or the Company) is not in an earnings sharing position, as its achieved return on rate base and return on equity are below the threshold required for sharing. The earnings sharing calculation is shown at Exhibit B, Tab 1, Schedule 1, while supporting schedules that show the calculation of utility rate base, utility income and taxes, and the utility capital structure components, are contained in the balance of the B Exhibits. Exhibit B, Tab 1, Schedule 6 sets out a reconciliation of audited income to corporate income.
2. The earnings sharing amount was determined in accordance with the following prescribed methodology as identified within the EB-2017-0306/0307 OEB Decision and Order, dated August 30, 2018, at pages 28 and 29, and within the EB-2017-0306 pre-filed evidence at Exhibit B, Tab 1, at pages 42 and 43:
 - if in any calendar year during the deferred rebasing term, Enbridge Gas's actual utility ROE is more than 150 basis points above the OEB-approved ROE for that year (updated annually by the OEB), then the resultant amount shall be shared equally (i.e., 50/50) between Enbridge Gas and its ratepayers;
 - for the purposes of the ESM, Enbridge Gas shall calculate its earnings using generally accepted accounting principles (GAAP) consistent with its external reporting, including the regulatory rules prescribed by the OEB from time to time;
 - all revenues and costs that would otherwise be included in a cost of service application shall be included in the earnings sharing calculation.

3. While the threshold or benchmark for Enbridge Gas's earnings sharing has changed from that of each legacy utility¹, the general process followed for calculating earnings sharing amounts is consistent with each utilities prior incentive regulation terms.
4. As articulated above, within Exhibit B, Tab 1, Schedule 1, the Company has calculated earnings for sharing in two ways for confirmation purposes.
5. In part A), a return on rate base method is shown, while in part B), a return on equity from a deemed equity embedded within rate base perspective is shown. Column 2 within the exhibit provides references indicating where additional evidence in support of the determination of the amounts in the calculation can be found. Column 3 contains results shown in millions of dollars, or percentages.

1. Part A)

6. The level of utility income, \$846.5 million (Line 4) divided by the level of utility rate base, \$14,216.1 million (Line 5) generates a utility return on rate base of 5.954% (Line 6).
7. When compared to the Company's required rate of return for ESM determination, of 6.167% (Line 7), as determined within the capital structure required in support of the determined rate base amount (inclusive of the 150 basis point deadband on ROE before earnings sharing is triggered), there is a resulting deficiency of 0.213% (Line 8) on total rate base.
8. As shown in Lines 9 through 11, the deficiency of 0.213% multiplied by the rate base of \$14,216.1 million, produces a net under earnings or deficiency of \$30.3 million, which from a pre-tax perspective (\$30.3 million divided by the reciprocal, 73.5%, of

¹ Enbridge Gas Distribution Inc. (EGD) and Union Gas Limited (Union).

the corporate tax rate which is 26.5%), results in a \$41.2 million gross amount of under earnings, and therefore nothing to be shared equally between ratepayers and the Company. Column 2 provides supporting evidence references.

2. Part B) (Confirming the Calculated Earnings Sharing)

9. Net utility income applicable to common equity is first determined.
10. The \$889.6 million (Line 14) of utility income before income tax, less utility taxes of \$43.1 million (Line 19), produces the \$846.5 million of utility income used in part A) above (at Line 4).
11. In order to determine utility net income applicable to a deemed common equity percentage within rate base, all long term debt, short term debt and preference share costs must also be reduced against the part A) \$846.5 million utility income.
12. These reductions are shown at Lines 15, 16 and 17 which, along with the utility income tax reduction already mentioned and shown at Line 19, results in a net income applicable to common equity of \$473.3 million, shown at Line 20.
13. The \$473.3 million, divided by the deemed common equity level of \$5,117.8 million (Line 21, calculated as 36% of the \$14,216.1 million rate base) produces a return on equity of 9.249% (Line 23). When comparing the 9.249% achieved return on equity to the threshold ROE percentage of 9.840% (Line 22), which is the OEB-approved formula return on equity for 2021 of 8.340% plus the 150 basis point deadband before sharing, there is a deficiency in ROE of 0.591% (Line 24).
14. The 0.591% multiplied by the common equity level of \$5,117.8 million (Line 21) produces a net under earnings or deficiency of \$30.3 million, which from a pre-tax perspective (\$30.3 million divided by the reciprocal, 73.5%, of the corporate tax

rate), results in a \$41.2 million gross amount of under earnings, and therefore nothing to be shared equally between ratepayers and the Company. Column 2 provides supporting evidence references.

3. Process Description

15. The calculation of utility earnings and any earnings sharing requirement starts with financial results contained within the Enbridge Gas corporate trial balance. The Company notes that corporate trial balance includes the elimination of transactions between each of the rate zones. This predominantly relates to the elimination of regulated and unregulated storage and transmission revenues that would have been reflected in the Union rate zones, offset by a corresponding elimination of gas costs that would have been reflected for the EGD rate zone. This reflects the fact that from a corporate perspective, EGD rate zone delivery revenues are contributing to the costs of Union rate zones regulated and unregulated storage and transmission services.
16. From there, in order to calculate the utility rate base, income, and capital structure results, and supporting evidence exhibits, various adjustments, regroupings or eliminations are required. This is accomplished by following and applying regulatory rules as prescribed by the OEB and the standards associated with cost of service rate related accounting processes. Examples are:
- determination of rate base amounts using the average of monthly averages value concept,
 - elimination of corporate interest expense due to the treatment of interest expense as embedded in the capital structure balanced to rate base; and,
 - elimination of corporate income taxes due to the determination of income taxes specific to utility results.

17. In addition, Enbridge Gas has made the appropriate adjustments in relation to non-standard legacy EGD and Union rate regulated items which the OEB has either decided in the past or are required in order to determine an appropriate utility return on equity. Examples are:

- rate base disallowance from EBRO 473 and 479 Decisions (Mississauga Southern Link project amounts),
- exclusion of non-utility or unregulated activities; and,
- elimination of approved shareholder incentives (such as Demand Side Management incentives, amounts related to Transactional Services, short-term storage, and net optimization incentives, and amounts related to Open Bill program incentives).

SUMMARY
RETURN ON RATE BASE & EQUITY & EARNINGS SHARING DETERMINATION
ENBRIDGE GAS INC.

ONTARIO UTILITY
FOR THE YEAR ENDED DECEMBER 31, 2021

| Line No. | Col. 1 Description | Col. 2 Reference | Col. 3 Actual |
|----------|---|---------------------------------|----------------------|
| 1. | Part A) Return on Rate Base & Revenue (Deficiency) / Sufficiency | | |
| | | | (\$Millions) & (%'s) |
| 2. | Utility Income before Income Tax | (Ex. B, Tab 1, Sch. 2) | 889.6 |
| 3. | Less: Income Taxes | (Ex. B, Tab 1, Sch. 3) | 43.1 |
| 4. | Utility Income | | 846.5 |
| 5. | Utility Rate Base | (Ex. B, Tab 1, Sch. 4) | 14,216.1 |
| 6. | Indicated Return on Rate Base % | (line 4 / line 5) | 5.955% |
| 7. | Less: Required Rate of Return % | (Ex. B, Tab 1, Sch. 5) | 6.167% |
| 8. | (Deficiency) / Sufficiency % | | -0.213% |
| 9. | Net Earnings (Deficiency) / Sufficiency | (line 5 x line 8) | (30.2) |
| 10. | Provision for Income Taxes | | (10.9) |
| 11. | Gross Earnings (Deficiency) / Sufficiency | (line 9 / 73.5%) | (41.1) |
| 12. | 50% Earnings sharing to ratepayers | (if line 11 > 1, line 11 x 50%) | - |
| 13. | Part B) Return on Equity & Revenue (Deficiency) / Sufficiency | | |
| 14. | Utility Income before Income Tax | (Ex. B, Tab 1, Sch. 2) | 889.6 |
| 15. | Less: Long Term Debt Costs | (Ex. B, Tab 1, Sch. 5) | 371.3 |
| 16. | Less: Short Term Debt Costs | (Ex. B, Tab 1, Sch. 5) | 1.9 |
| 17. | Less: Cost of Preferred Capital | (Ex. B, Tab 1, Sch. 5) | 0.0 |
| 18. | Net Income before Income Taxes | | 516.5 |
| 19. | Less: Income Taxes | (Ex. B, Tab 1, Sch. 3) | 43.1 |
| 20. | Net Income Applicable to Common Equity | (line 18 - line 19) | 473.4 |
| 21. | Common Equity | (Ex. B, Tab 1, Sch. 5) | 5,117.8 |
| 22. | Approved ROE (including deadband before earning sharing) % | (Board-approved + 150bp) | 9.840% |
| 23. | Achieved Rate of Return on Equity % | (line 20 / line 21) | 9.249% |
| 24. | Resulting (Deficiency) / Sufficiency in Return on Equity % | | -0.591% |
| 25. | Net Earnings (Deficiency) / Sufficiency | (line 21 x line 24) | (30.2) |
| 26. | Provision for Income Taxes | | (10.9) |
| 27. | Gross Earnings (Deficiency) / Sufficiency | (line 25 / 73.5%) | (41.1) |
| 28. | 50% Earnings sharing to ratepayers | (if line 27 > 1, line 27 x 50%) | - |

EGI UTILITY INCOME
2021 ACTUAL

| Line No. | Reference | Col. 1 Corporate (a) | Col. 2 Unregulated Storage (b) | Col. 3 Adjustments (c) | Col. 4 Utility Income (d) = (a)-(b)+(c) (\$Millions) |
|----------|---|----------------------------|--------------------------------------|------------------------------|---|
| 1. | Gas sales and distribution (Ex. B, Tab 2, Sch. 2) | 4,513.2 | - | (32.6) (i) | 4,480.6 |
| 2. | Transportation (Ex. B, Tab 2, Sch. 3) | 143.0 | 0.4 | (0.8) (ii) | 142.0 |
| 3. | Storage (Ex. B, Tab 2, Sch. 3) | 159.7 | 153.6 | (0.1) (iii) | 6.0 |
| 4. | Other operating revenue (Ex. B, Tab 2, Sch. 4) | 64.3 | 1.8 | (13.4) (iv) | 49.1 |
| 5. | Other income (Ex. B, Tab 2, Sch. 4) | 7.2 | - | (6.3) (viii) | 0.9 |
| 6. | Total operating revenue | 4,887.4 | 155.8 | (53.1) | 4,678.5 |
| 7. | Gas costs | 2,146.2 | 20.2 | (15.4) (i) | 2,110.6 |
| 8. | Operation and maintenance (Ex. B, Tab 3, Sch. 1) | 938.6 | 18.5 | (4.0) (v) | 916.2 |
| 9. | Depreciation and amortization expense | 676.8 | 14.9 | (22.6) (vi) | 639.3 |
| 10. | Fixed financing costs | 6.3 | - | 0.5 (vii) | 6.8 |
| 11. | Municipal and other taxes | 117.9 | 1.8 | - | 116.1 |
| 12. | Cost of service | 3,885.8 | 55.4 | (41.5) | 3,788.9 |
| 13. | Utility income before income taxes | | | | 889.6 |
| 14. | Income tax expense (Ex. B, Tab 1, Sch. 3) | | | | 43.1 |
| 15. | Utility income | | | | 846.5 |

Notes on Adjustments:

| | | |
|--------|--|--------|
| (i) | Reclassification of Union rate zone optimization revenue as a cost of gas reduction | (15.4) |
| | Elimination of the UGL rate zone unregulated storage cost from EGD rate zone revenues | (17.2) |
| | | (32.6) |
| (ii) | Elimination of the Union rate zone shareholder portion of net optimization activity (before tax) | (0.8) |
| (iii) | Elimination of the Union rate zone shareholder portion of net short-term storage revenue (before tax) | (0.1) |
| (iv) | Adjust EGD rate zone OBA costs to reflect EB-2013-0099 approved unit costs agreed to be used for determining net revenue | (4.3) |
| | Elimination of EGD rate zone Open Bill shareholder incentive | 0.3 |
| | Elimination of EGD rate zone shareholder portion of transactional service revenues | (1.8) |
| | Elimination of demand-side management incentive | (6.9) |
| | Elimination of EGD rate zone net revenue from ABC T-service, considered to be non-utility | (0.8) |
| | | (13.4) |
| (v) | Elimination of donations | (3.6) |
| | Elimination of EB-2021-0204 Assurance of Voluntary Compliance amount | (0.1) |
| | Elimination of non-utility costs and expenses relating to support of the EGD rate zone ABC T-service program | (0.3) |
| | | (4.0) |
| (vi) | Eliminate amortization of PPD (purchase price discrepancy) | (22.5) |
| | Eliminate depreciation on disallowed Mississauga Southern Link amounts (EBRO 473 & 479) | (0.1) |
| | | (22.6) |
| (vii) | Interest on security deposits held during the year and included in elimination of corporate interest exp. Expense incurred to reduce bad debt. The average amount of the security deposit held during the year is applied as a reduction to the allowance for working capital in rate base | 0.5 |
| (viii) | Elimination of interest income from investments not included in utility rate base | (0.1) |
| | Elimination of interest income from affiliates | (1.6) |
| | Elimination of the revenue indemnification received from Enbridge Inc. related to a non-utility Corporate tax planning Part VI.1 tax transfer to EGI | (4.6) |
| | | (6.3) |

CALCULATION OF EGI UTILITY TAXABLE INCOME AND INCOME TAX EXPENSE
2021 ACTUAL

| Line No. | Col. 1 Federal (\$Millions) | Col. 2 Provincial (\$Millions) | Col. 3 Combined (\$Millions) |
|--|-----------------------------------|--------------------------------------|------------------------------------|
| 1. Utility income before income taxes | 889.6 | 889.6 | |
| Add | | | |
| 2. Depreciation and amortization | 639.3 | 639.3 | |
| 3. Accrual based pension and OPEB costs | 37.6 | 37.6 | |
| 4. Other non-deductible items | 0.3 | 0.3 | |
| 5. Total Add Back | 677.2 | 677.2 | |
| 6. Sub-total | 1,566.9 | 1,566.9 | |
| Deduct | | | |
| 7. Capital cost allowance | 829.4 | 829.4 | |
| 8. Items capitalized for regulatory purposes | 152.9 | 152.9 | |
| 9. Amortization of share/debenture issue expense | 0.4 | 0.4 | |
| 10. Amortization of C.D.E. and C.O.G.P.E | - | - | |
| 11. Other | 6.3 | 6.3 | |
| 12. Cash based pension and OPEB costs | 42.1 | 42.1 | |
| 13. Total Deduction | 1,031.1 | 1,031.1 | |
| 14. Taxable income | 535.8 | 535.8 | |
| 15. Income tax rates | 15.00% | 11.50% | |
| 16. Tax provision excluding interest shield | 80.4 | 61.6 | 142.0 |
| Tax shield on interest expense | | | |
| 17. Rate base | 14,216.1 | | |
| 18. Return component of debt | 2.62% | | |
| 19. Interest expense | 373.1 | | |
| 20. Combined tax rate | 26.50% | | |
| 21. Income tax credit | | | (98.9) |
| 22. Total utility income taxes | | | 43.1 |

EGI UTILITY RATE BASE
2021 ACTUAL

| | Col. 1 | Col. 2 |
|---|------------------------|------------------------|
| Line No. | 2021 Actual | 2020 Actual |
| | (\$Millions) | (\$Millions) |
| <u>Property, Plant, and Equipment</u> | | |
| 1. Gross property, plant, and equipment | 21,522.4 | 20,582.1 |
| 2. Accumulated depreciation | <u>(7,994.0)</u> | <u>(7,571.2)</u> |
| 3. Net property, plant, and equipment | <u>13,528.4</u> | <u>13,010.8</u> |
| <u>Allowance for Working Capital</u> | | |
| 4. Materials and supplies | 92.5 | 82.2 |
| 5. ABC receivable | (15.5) | (22.3) |
| 6. Customer security deposits | (68.9) | (81.8) |
| 7. Prepaid expenses | 4.7 | 3.1 |
| 8. Balancing gas | 59.5 | 59.5 |
| 9. Gas in storage | 594.7 | 487.5 |
| 10. Working cash allowance | <u>20.9</u> | <u>23.0</u> |
| 11. Total Working Capital | <u>687.7</u> | <u>551.2</u> |
| 12. <u>Utility Rate Base</u> | <u><u>14,216.1</u></u> | <u><u>13,562.0</u></u> |

EGI UTILITY PROPERTY, PLANT, AND EQUIPMENT
SUMMARY STATEMENT - AVERAGE OF MONTHLY AVERAGES
2021 ACTUAL

| Line No. | Col. 1 Gross Property, Plant, and Equipment (\$Millions) | Col. 2 Accumulated Depreciation (\$Millions) | Col. 3 Net Property, Plant, and Equipment (\$Millions) |
|--|---|---|---|
| EGD Rate Zone | | | |
| 1. Underground storage plant | 485.6 | (148.5) | 337.1 |
| 2. Distribution plant | 9,640.8 | (3,070.8) | 6,570.0 |
| 3. General plant | 660.6 | (493.6) | 167.0 |
| 4. Plant held for future use | 1.7 | (1.4) | 0.2 |
| 5. EGD Rate Zone Total | <u>10,788.6</u> | <u>(3,714.3)</u> | <u>7,074.3</u> |
| Union Rate Zones | | | |
| 6. Intangible plant | 1.7 | (1.3) | 0.4 |
| 7. Local storage plant | 32.0 | (17.8) | 14.2 |
| 8. Underground storage plant | 831.3 | (335.4) | 495.9 |
| 9. Transmission plant | 3,767.4 | (1,188.6) | 2,578.8 |
| 10. Distribution plant - Southern operations | 3,529.2 | (1,515.5) | 2,013.7 |
| 11. Distribution plant - Northern and Eastern operations | 2,134.6 | (980.1) | 1,154.5 |
| 12. General plant | 437.6 | (241.0) | 196.7 |
| 13. Union Rate Zones Total | <u>10,733.8</u> | <u>(4,279.7)</u> | <u>6,454.1</u> |
| 14. EGI Total | <u>21,522.4</u> | <u>(7,994.0)</u> | <u>13,528.4</u> |

EGI UTILITY GROSS PLANT
YEAR END BALANCES AND AVERAGE OF MONTHLY AVERAGES
2021 ACTUAL

| Line No. | | Col. 1 | Col. 2 | Col. 3 | Col. 4 | Col. 5 | Col. 6 | Col. 7 |
|--|--|--------------------------|--------------|--------------|--------------------------|-----------------------|--------------------------|-----------------------------|
| | | Opening Balance Dec.2020 | Additions | Retirements | Closing Balance Dec.2021 | Regulatory Adjustment | Utility Balance Dec.2021 | Average of Monthly Averages |
| | | (\$Millions) | (\$Millions) | (\$Millions) | (\$Millions) | (\$Millions) | (\$Millions) | (\$Millions) |
| EGD Rate Zone Underground Storage Plant | | | | | | | | |
| 1. | Land and gas storage rights (450/451) | 47.6 | 1.3 | - | 48.9 | (1.0) | 47.9 | 46.6 |
| 2. | Structures and improvements (452) | 31.5 | 0.6 | - | 32.1 | (0.1) | 32.0 | 31.5 |
| 3. | Wells (453) | 70.0 | 22.4 | - | 92.4 | - | 92.4 | 71.0 |
| 4. | Well equipment (454) | 12.6 | 0.7 | - | 13.4 | - | 13.4 | 12.7 |
| 5. | Field Lines (455) | 115.4 | 12.3 | - | 127.7 | - | 127.7 | 115.9 |
| 6. | Compressor equipment (456) | 159.7 | 36.4 | - | 196.2 | (0.5) | 195.7 | 164.3 |
| 7. | Measuring and regulating equipment (457) | 11.2 | - | - | 11.2 | - | 11.2 | 11.2 |
| 8. | Base pressure gas (458) | 32.4 | - | - | 32.4 | - | 32.4 | 32.4 |
| 9. | Sub-Total | 480.5 | 73.8 | - | 554.3 | (1.5) | 552.7 | 485.6 |
| EGD Rate Zone Distribution Plant | | | | | | | | |
| 10. | Renewable Natural Gas (461) | - | - | - | - | - | - | - |
| 11. | Land (470) | 53.7 | 0.5 | - | 54.2 | - | 54.2 | 54.0 |
| 12. | Offers to purchase (470) | - | - | - | - | - | - | - |
| 13. | Land rights intangibles (471) | 63.8 | - | - | 63.8 | - | 63.8 | 63.8 |
| 14. | Structures and improvements (472) | 151.0 | 47.1 | (4.7) | 193.4 | (0.3) | 193.1 | 155.1 |
| 15. | Services, house reg & meter install. (473/474) | 3,306.0 | 204.9 | (9.9) | 3,501.0 | - | 3,501.0 | 3,372.2 |
| 16. | Mains (475) | 4,727.4 | 158.0 | 73.5 | 4,958.8 | (2.2) | 4,956.6 | 4,780.5 |
| 17. | NGV station compressors (476) | 5.5 | (0.3) | - | 5.2 | - | 5.2 | 5.2 |
| 18. | Measuring and regulating equip. (477) | 684.7 | 22.6 | (8.8) | 698.5 | (0.5) | 698.0 | 693.5 |
| 19. | Meters (478) | 519.6 | 29.0 | (21.3) | 527.3 | - | 527.3 | 516.5 |
| 20. | Sub-Total | 9,511.7 | 461.7 | 28.9 | 10,002.2 | (3.1) | 9,999.2 | 9,640.8 |
| EGD Rate Zone General Plant | | | | | | | | |
| 21. | Lease improvements (482) | 0.1 | (0.0) | - | 0.1 | (0.2) | (0.1) | (0.1) |
| 22. | Office furniture and equipment (483) | 21.0 | (0.2) | - | 20.7 | - | 20.7 | 20.5 |
| 23. | Transportation equipment (484) | 61.7 | 5.1 | (1.4) | 65.4 | (0.1) | 65.4 | 59.4 |
| 24. | NGV conversion kits (484) | 2.9 | (0.0) | - | 2.9 | - | 2.9 | 2.8 |
| 25. | Heavy work equipment (485) | 20.2 | 2.9 | - | 23.1 | - | 23.1 | 20.3 |
| 26. | Tools and work equipment (486) | 59.3 | 0.6 | - | 59.8 | - | 59.8 | 58.4 |
| 27. | Rental equipment (487) | 1.8 | (0.0) | - | 1.8 | - | 1.8 | 1.8 |
| 28. | NGV rental compressors (487) | 20.2 | (12.4) | - | 7.8 | - | 7.8 | 19.2 |
| 29. | NGV cylinders (484 and 487) | 1.0 | (0.4) | - | 0.6 | - | 0.6 | 0.6 |
| 30. | Communication structures & equip. (488) | 3.7 | (0.1) | (1.8) | 1.8 | - | 1.8 | 2.6 |
| 31. | Computer equipment (490) | 32.1 | 2.3 | (7.2) | 27.1 | - | 27.1 | 30.3 |
| 32. | Software Acquired/Developed (491) | 254.3 | 3.5 | (23.5) | 234.2 | - | 234.2 | 243.4 |
| 33. | CIS (491) | 127.1 | 10.9 | (124.1) | 13.8 | - | 13.8 | 111.2 |
| 34. | WAMS (489) | 92.1 | (2.2) | - | 89.9 | - | 89.9 | 90.0 |
| 35. | Sub-Total | 697.4 | 9.8 | (158.0) | 549.2 | (0.3) | 548.9 | 660.6 |

EGD Rate Zone Plant held for future use

| | | | | | | | | |
|-----|-------------------------|----------|-------|---------|----------|-------|----------|----------|
| 36. | Inactive services (102) | 1.7 | - | - | 1.7 | - | 1.7 | 1.7 |
| 37. | EGD Rate Zone Total | 10,691.2 | 545.3 | (129.1) | 11,107.3 | (4.8) | 11,102.5 | 10,788.6 |

Union Rate Zones Intangible Plant

| | | | | | | | | |
|-----|-------------------------------|-----|---|---|-----|---|-----|-----|
| 38. | Franchises and consents (401) | 1.2 | - | - | 1.2 | - | 1.2 | 1.2 |
| 39. | Other intangible plant (402) | 0.5 | - | - | 0.5 | - | 0.5 | 0.5 |
| 40. | Sub-Total | 1.7 | - | - | 1.7 | - | 1.7 | 1.7 |

Union Rate Zones Local Storage Plant

| | | | | | | | | |
|-----|-----------------------------------|------|-----|---|------|---|------|------|
| 41. | Land (440) | 0.0 | - | - | 0.0 | - | 0.0 | 0.0 |
| 42. | Structures and improvements (442) | 5.2 | 0.7 | - | 5.9 | - | 5.9 | 5.2 |
| 43. | Gas holders - storage (443) | 4.6 | 0.8 | - | 5.4 | - | 5.4 | 4.6 |
| 44. | Gas holders - equipment (443) | 20.2 | 0.0 | - | 20.2 | - | 20.2 | 20.2 |
| 45. | Regulatory Overheads | 1.8 | 0.3 | - | 2.1 | - | 2.1 | 1.9 |
| 46. | Sub-Total | 31.8 | 1.8 | - | 33.6 | - | 33.6 | 32.0 |

Union Rate Zones Underground Storage Plant

| | | | | | | | | |
|-----|--|-------|--------|---|-------|---|-------|-------|
| 47. | Land (450) | 7.2 | 2.4 | - | 9.6 | - | 9.6 | 7.3 |
| 48. | Land rights (451) | 32.0 | - | - | 32.0 | - | 32.0 | 32.0 |
| 49. | Structures and improvements (452) | 69.3 | 0.9 | - | 70.2 | - | 70.2 | 69.4 |
| 50. | Wells (453) | 48.0 | 1.1 | - | 49.1 | - | 49.1 | 48.5 |
| 51. | Field Lines (455) | 50.6 | 0.5 | - | 51.1 | - | 51.1 | 50.8 |
| 52. | Compressor equipment (456) | 470.1 | 2.9 | - | 473.0 | - | 473.0 | 470.6 |
| 53. | Measuring and regulating equipment (457) | 86.4 | (23.6) | - | 62.8 | - | 62.8 | 85.5 |
| 54. | Base pressure gas (458) | 36.2 | - | - | 36.2 | - | 36.2 | 36.2 |
| 55. | Regulatory Overheads | 18.1 | 3.6 | - | 21.7 | - | 21.7 | 19.4 |
| 56. | Sub-Total | 817.9 | (12.1) | - | 805.8 | - | 805.8 | 819.7 |

Union Rate Zones Transmission Plant

| | | | | | | | | |
|-----|---|---------|-------|-------|---------|---|---------|---------|
| 57. | Land (460) | 82.2 | 2.5 | - | 84.7 | - | 84.7 | 82.6 |
| 58. | Land rights (461) | 67.5 | 0.9 | - | 68.3 | - | 68.3 | 67.6 |
| 59. | Structures & improvements (462/463/464) | 166.3 | 0.8 | - | 167.1 | - | 167.1 | 166.3 |
| 60. | Mains (465) | 1,954.5 | 61.9 | (4.1) | 2,012.3 | - | 2,012.3 | 1,963.6 |
| 61. | Compressor equipment (466) | 942.6 | 3.0 | - | 945.7 | - | 945.7 | 943.4 |
| 62. | Measuring & regulating equipment (467) | 321.0 | 45.0 | - | 366.0 | - | 366.0 | 325.7 |
| 63. | Line Pack Gas | 7.5 | 0.0 | - | 7.5 | - | 7.5 | 7.5 |
| 64. | Regulatory Overheads | 200.1 | 31.4 | - | 231.5 | - | 231.5 | 210.7 |
| 65. | Sub-Total | 3,741.6 | 145.5 | (4.1) | 3,883.1 | - | 3,883.1 | 3,767.4 |

Union Rate Zones Distribution Plant - Southern Operations

| | | | | | | | | |
|-----|--|---------|-------|--------|---------|---|---------|---------|
| 66. | Land (470) | 12.6 | 4.1 | - | 16.7 | - | 16.7 | 15.3 |
| 67. | Land rights (471) | 8.9 | 0.2 | - | 9.1 | - | 9.1 | 8.9 |
| 68. | Structures and improvements (472) | 139.6 | 6.6 | - | 146.2 | - | 146.2 | 140.9 |
| 69. | Services - metallic (473) | 128.4 | 2.4 | (0.3) | 130.5 | - | 130.5 | 129.2 |
| 70. | Services - plastic (473) | 956.7 | 41.1 | (1.8) | 996.0 | - | 996.0 | 974.7 |
| 71. | Regulators (474) | 97.1 | 13.4 | (5.8) | 104.8 | - | 104.8 | 102.6 |
| 72. | House regulators & meter installations (474) | 76.9 | 10.3 | - | 87.2 | - | 87.2 | 78.1 |
| 73. | Mains - metallic (475) | 581.8 | 103.5 | (0.9) | 684.3 | - | 684.3 | 598.0 |
| 74. | Mains - plastic (475) | 706.4 | 44.4 | (0.5) | 750.3 | - | 750.3 | 721.0 |
| 75. | Measuring & regulating equipment (477) | 60.3 | 13.1 | - | 73.4 | - | 73.4 | 61.4 |
| 76. | Meters (478) | 373.3 | 21.4 | (3.3) | 391.4 | - | 391.4 | 380.8 |
| 77. | Regulatory Overheads | 315.2 | 40.4 | - | 355.6 | - | 355.6 | 329.9 |
| 78. | Sub-total | 3,457.2 | 300.8 | (12.7) | 3,745.4 | - | 3,745.4 | 3,540.8 |

Union Rate Zones Distribution Plant - Northern & Eastern Operations

| | | | | | | | | |
|-----|--|---------|-------|-------|---------|---|---------|---------|
| 79. | Land (470) | 5.0 | 0.3 | - | 5.3 | - | 5.3 | 5.2 |
| 80. | Land rights (471) | 10.6 | 0.3 | - | 10.9 | - | 10.9 | 10.7 |
| 81. | Structures and improvements (472) | 68.6 | 2.9 | - | 71.4 | - | 71.4 | 69.1 |
| 82. | Services - metallic (473) | 110.1 | 1.4 | (0.2) | 111.2 | - | 111.2 | 110.5 |
| 83. | Services - plastic (473) | 489.6 | 17.0 | (0.8) | 505.8 | - | 505.8 | 495.6 |
| 84. | Regulators (474) | 39.0 | 0.8 | (2.1) | 37.7 | - | 37.7 | 39.2 |
| 85. | House regulators & meter installations (474) | 41.5 | 0.7 | - | 42.3 | - | 42.3 | 41.7 |
| 86. | Mains - metallic (475) | 680.5 | 40.2 | (0.8) | 719.9 | - | 719.9 | 688.0 |
| 87. | Mains - plastic (475) | 238.7 | 7.9 | (0.2) | 246.3 | - | 246.3 | 240.5 |
| 88. | Measuring & regulating equipment (477) | 151.3 | 4.2 | - | 155.5 | - | 155.5 | 152.2 |
| 89. | Meters (478) | 96.8 | 6.3 | (0.9) | 102.2 | - | 102.2 | 97.3 |
| 90. | Regulatory Overheads | 173.1 | 32.5 | - | 205.6 | - | 205.6 | 184.5 |
| 91. | Sub-total | 2,104.7 | 114.4 | (5.0) | 2,214.1 | - | 2,214.1 | 2,134.6 |

Union Rate Zones General Plant

| | | | | | | | | |
|------|--------------------------------------|----------|---------|---------|----------|-------|----------|----------|
| 92. | Land (480) | 0.5 | - | - | 0.5 | - | 0.5 | 0.5 |
| 93. | Structures & improvements (482) | 73.8 | 16.3 | - | 90.2 | - | 90.2 | 78.4 |
| 94. | Office furniture and equipment (483) | 10.1 | 0.0 | (0.9) | 9.3 | - | 9.3 | 10.0 |
| 95. | Office equipment - computers (483) | 129.2 | 53.0 | (69.1) | 113.1 | - | 113.1 | 140.1 |
| 96. | Transportation equipment (484) | 64.6 | 6.4 | (5.1) | 65.9 | - | 65.9 | 64.7 |
| 97. | Heavy work equipment (485) | 19.2 | 2.3 | (0.5) | 21.0 | - | 21.0 | 19.3 |
| 98. | Tools and work equipment (486) | 39.2 | 2.2 | (6.1) | 35.3 | - | 35.3 | 38.8 |
| 99. | NGV fuel equipment (487) | 3.2 | 1.3 | - | 4.5 | - | 4.5 | 3.3 |
| 100. | Communication equipment (488) | 14.3 | 0.1 | (4.9) | 9.4 | - | 9.4 | 13.0 |
| 101. | Regulatory Overheads | 64.3 | 15.8 | (9.8) | 70.3 | - | 70.3 | 69.4 |
| 102. | Sub-total | 418.6 | 97.4 | (96.5) | 419.5 | - | 419.5 | 437.6 |
| 103. | Union Rate Zones Total | 10,573.6 | 647.9 | (118.3) | 11,103.2 | - | 11,103.2 | 10,733.8 |
| 104. | EGI Total | 21,264.7 | 1,193.2 | (247.4) | 22,210.5 | (4.8) | 22,205.7 | 21,522.4 |

EGI UTILITY PLANT
CONTINUITY OF ACCUMULATED DEPRECIATION
YEAR END BALANCES AND AVERAGE OF MONTHLY AVERAGES
2021 ACTUAL

| Line No. | | Col. 1 | Col. 2 | Col. 3 | Col. 4 | Col. 5 | Col. 6 | Col. 7 | Col. 8 |
|--|--|--------------------------|----------------|---------------|-----------------------|--------------------------|-----------------------|--------------------------|-----------------------------|
| | | Opening Balance Dec.2020 | Additions | Retirements | Costs Net of Proceeds | Closing Balance Dec.2021 | Regulatory Adjustment | Utility Balance Dec.2021 | Average of Monthly Averages |
| | | (\$Millions) | (\$Millions) | (\$Millions) | (\$Millions) | (\$Millions) | (\$Millions) | (\$Millions) | (\$Millions) |
| EGD Rate Zone Underground Storage Plant | | | | | | | | | |
| 1. | Land and gas storage rights (451) | (26.6) | (0.5) | - | - | (27.1) | - | (27.1) | (26.8) |
| 2. | Structures and improvements (452) | (2.3) | (0.6) | - | - | (2.9) | 0.1 | (2.8) | (2.5) |
| 3. | Wells (453) | (14.3) | (1.2) | - | - | (15.5) | - | (15.5) | (14.8) |
| 4. | Well equipment (454) | (7.8) | (0.8) | - | - | (8.6) | - | (8.6) | (8.1) |
| 5. | Field Lines (455) | (32.2) | (1.8) | - | - | (34.0) | - | (34.0) | (33.1) |
| 6. | Compressor equipment (456) | (53.2) | (4.5) | - | - | (57.7) | 0.3 | (57.4) | (55.0) |
| 7. | Measuring and regulating equipment (457) | (7.9) | (0.3) | - | - | (8.3) | - | (8.3) | (8.1) |
| 8. | Sub-Total | (144.2) | (9.7) | - | - | (154.0) | 0.3 | (153.6) | (148.5) |
| EGD Rate Zone Distribution Plant | | | | | | | | | |
| 9. | Renewable Natural Gas (461) | - | - | - | - | - | - | - | - |
| 10. | Land rights intangibles (471) | (5.7) | (0.8) | - | - | (6.5) | - | (6.5) | (6.1) |
| 11. | Structures and improvements (472) | (42.9) | (10.2) | 4.7 | - | (48.3) | 0.3 | (48.0) | (42.7) |
| 12. | Services, house reg & meter install. (473/474) | (1,104.3) | (76.4) | 9.9 | 28.4 | (1,142.4) | - | (1,142.4) | (1,126.2) |
| 13. | Mains (475) | (1,295.9) | (109.4) | (73.5) | 16.9 | (1,461.9) | 2.2 | (1,459.7) | (1,322.2) |
| 14. | NGV station compressors (476) | (3.3) | (0.3) | - | - | (3.6) | - | (3.6) | (3.4) |
| 15. | Measuring and regulating equip. (477) | (252.4) | (15.1) | 8.8 | 0.7 | (257.9) | 0.5 | (257.4) | (254.4) |
| 16. | Meters (478) | (303.2) | (41.0) | 21.3 | 0.0 | (323.0) | - | (323.0) | (315.7) |
| 17. | Sub-Total | (3,007.7) | (253.1) | (28.9) | 46.1 | (3,243.6) | 3.0 | (3,240.5) | (3,070.8) |
| EGD Rate Zone General Plant | | | | | | | | | |
| 18. | Lease improvements (482) | (0.1) | 0.0 | - | - | (0.1) | 0.2 | 0.1 | 0.1 |
| 19. | Office furniture and equipment (483) | (12.6) | (1.9) | - | - | (14.4) | - | (14.4) | (13.4) |
| 20. | Transportation equipment (484) | (32.2) | (5.3) | 1.4 | (0.1) | (36.3) | 0.1 | (36.3) | (33.7) |
| 21. | NGV conversion kits (484) | 0.4 | (0.3) | - | - | 0.2 | - | 0.2 | 0.3 |
| 22. | Heavy work equipment (485) | (6.0) | (0.6) | - | - | (6.6) | - | (6.6) | (6.3) |
| 23. | Tools and work equipment (486) | (22.3) | (1.9) | - | - | (24.1) | - | (24.1) | (23.0) |
| 24. | Rental equipment (487) | (1.1) | 0.0 | - | - | (1.1) | - | (1.1) | (1.1) |
| 25. | NGV rental compressors (487) | (2.7) | 0.2 | - | - | (2.4) | - | (2.4) | (3.3) |
| 26. | NGV cylinders (484 and 487) | (0.5) | (0.0) | - | - | (0.5) | - | (0.5) | (0.5) |
| 27. | Communication structures & equip. (488) | (1.4) | (0.2) | 1.8 | - | 0.1 | - | 0.1 | (0.6) |
| 28. | Computer equipment (490) | (31.6) | (1.9) | 7.2 | - | (26.4) | - | (26.4) | (29.8) |
| 29. | Software Aquired/Developed (491) | (229.9) | (6.9) | 23.5 | - | (213.3) | - | (213.3) | (230.5) |
| 30. | CIS (491) | (127.1) | (18.3) | 124.1 | - | (21.3) | - | (21.3) | (109.9) |
| 31. | WAMS (489) | (38.4) | (8.1) | - | - | (46.4) | - | (46.4) | (42.0) |
| 32. | Sub-Total | (505.5) | (45.2) | 158.0 | (0.1) | (392.7) | 0.3 | (392.5) | (493.6) |
| EGD Rate Zone Plant held for future use | | | | | | | | | |
| 33. | Inactive services (102) | (1.4) | (0.0) | - | - | (1.4) | - | (1.4) | (1.4) |
| 34. | EGD Rate Zone Total | (3,658.8) | (308.0) | 129.1 | 46.0 | (3,791.7) | 3.6 | (3,788.1) | (3,714.3) |
| Union Rate Zones Intangible Plant | | | | | | | | | |
| 35. | Franchises and consents (401) | (0.9) | (0.1) | - | - | (1.0) | - | (1.0) | (1.0) |
| 36. | Other intangible plant (402) | (0.3) | (0.2) | - | - | (0.5) | - | (0.5) | (0.3) |
| 37. | Sub-Total | (1.2) | (0.3) | - | - | (1.5) | - | (1.5) | (1.3) |

| Union Rate Zones Local Storage Plant | | | | | | | | | |
|---|--|-----------|---------|-------|-------|-----------|-----|-----------|-----------|
| 38. | Structures and improvements (442) | (2.7) | (0.1) | - | 0.2 | (2.7) | - | (2.7) | (2.7) |
| 39. | Gas holders - storage (443) | (3.8) | (0.1) | - | - | (3.9) | - | (3.9) | (3.9) |
| 40. | Gas holders - equipment (443) | (10.3) | (0.7) | - | 0.0 | (11.0) | - | (11.0) | (10.6) |
| 41. | Regulatory Overheads | (0.5) | (0.1) | - | - | (0.6) | - | (0.6) | (0.5) |
| | | | | | | | | | |
| 42. | Sub-Total | (17.3) | (1.0) | - | 0.2 | (18.2) | - | (18.2) | (17.8) |
| | | | | | | | | | |
| Union Rate Zones Underground Storage Plant | | | | | | | | | |
| 43. | Land rights (451) | (18.1) | (0.7) | - | - | (18.8) | - | (18.8) | (18.4) |
| 44. | Structures and improvements (452) | (42.1) | (1.7) | - | - | (43.9) | - | (43.9) | (43.0) |
| 45. | Wells (453) | (33.0) | (1.2) | - | - | (34.2) | - | (34.2) | (33.6) |
| 46. | Field Lines (455) | (28.4) | (1.2) | - | - | (29.6) | - | (29.6) | (29.1) |
| 47. | Compressor equipment (456) | (155.6) | (12.6) | - | 0.0 | (168.2) | - | (168.2) | (161.9) |
| 48. | Measuring & regulating equipment (457) | (44.3) | 1.2 | - | 0.1 | (43.0) | - | (43.0) | (45.4) |
| 49. | Regulatory Overheads | (3.6) | (0.5) | - | - | (4.1) | - | (4.1) | (4.0) |
| | | | | | | | | | |
| 50. | Sub-Total | (325.1) | (16.7) | - | 0.1 | (341.7) | - | (341.7) | (335.4) |
| | | | | | | | | | |
| Union Rate Zones Transmission Plant | | | | | | | | | |
| 51. | Land rights (461) | (18.1) | (1.2) | - | - | (19.3) | - | (19.3) | (18.7) |
| 52. | Structures & improvements (462/463/464) | (43.5) | (3.4) | - | 0.1 | (46.8) | - | (46.8) | (45.1) |
| 53. | Mains (465) | (662.8) | (38.9) | 4.1 | 0.4 | (697.3) | - | (697.3) | (682.0) |
| 54. | Compressor equipment (466) | (293.9) | (30.5) | - | 0.0 | (324.3) | - | (324.3) | (309.1) |
| 55. | Measuring & regulating equipment (467) | (104.0) | (12.2) | - | 0.0 | (116.2) | - | (116.2) | (108.4) |
| 56. | Regulatory Overheads | (22.8) | (5.2) | - | - | (28.0) | - | (28.0) | (25.3) |
| | | | | | | | | | |
| 57. | Sub-Total | (1,145.1) | (91.4) | 4.1 | 0.5 | (1,231.9) | - | (1,231.9) | (1,188.6) |
| | | | | | | | | | |
| Union Rate Zones Distribution Plant - Southern Operations | | | | | | | | | |
| 58. | Land rights (471) | (2.3) | (0.1) | - | - | (2.4) | - | (2.4) | (2.3) |
| 59. | Structures and improvements (472) | (44.3) | (3.1) | - | 0.0 | (47.4) | - | (47.4) | (45.8) |
| 60. | Services - metallic (473) | (107.3) | (3.6) | 0.3 | 1.8 | (108.8) | - | (108.8) | (108.7) |
| 61. | Services - plastic (473) | (428.6) | (24.5) | 1.8 | 6.8 | (444.5) | - | (444.5) | (437.2) |
| 62. | Regulators (474) | (41.7) | (4.8) | 5.8 | - | (40.8) | - | (40.8) | (43.1) |
| 63. | House regulators & meter installations (474) | (30.1) | (2.2) | - | 0.0 | (32.3) | - | (32.3) | (31.2) |
| 64. | Mains - metallic (475) | (363.6) | (16.8) | 0.9 | 3.6 | (375.9) | - | (375.9) | (370.5) |
| 65. | Mains - plastic (475) | (285.4) | (16.6) | 0.5 | 0.5 | (300.9) | - | (300.9) | (293.3) |
| 66. | Measuring & regulating equipment (477) | (21.5) | (2.4) | - | 0.3 | (23.6) | - | (23.6) | (22.4) |
| 67. | Meters (478) | (106.8) | (14.5) | 3.3 | (0.1) | (118.0) | - | (118.0) | (112.0) |
| 68. | Regulatory Overheads | (44.5) | (9.4) | - | - | (53.9) | - | (53.9) | (48.9) |
| | | | | | | | | | |
| 69. | Sub-Total | (1,476.1) | (98.1) | 12.7 | 13.1 | (1,548.5) | - | (1,548.5) | (1,515.5) |
| | | | | | | | | | |
| Union Rate Zones Distribution Plant - Northern & Eastern Operations | | | | | | | | | |
| 70. | Land rights intangibles (471) | (4.3) | (0.2) | - | - | (4.5) | - | (4.5) | (4.4) |
| 71. | Structures and improvements (472) | (26.7) | (1.7) | - | - | (28.3) | - | (28.3) | (27.5) |
| 72. | Services - metallic (473) | (78.6) | (3.6) | 0.2 | 0.5 | (81.4) | - | (81.4) | (80.2) |
| 73. | Services - plastic (473) | (219.0) | (12.9) | 0.8 | 0.4 | (230.7) | - | (230.7) | (225.3) |
| 74. | Regulators (474) | (15.6) | (1.8) | 2.1 | (0.0) | (15.3) | - | (15.3) | (16.1) |
| 75. | House regulators & meter installations (474) | (16.5) | (1.2) | - | 0.0 | (17.7) | - | (17.7) | (17.1) |
| 76. | Mains - metallic (475) | (348.4) | (20.7) | 0.8 | 1.5 | (366.9) | - | (366.9) | (358.3) |
| 77. | Mains - plastic (475) | (114.2) | (5.7) | 0.2 | 0.0 | (119.6) | - | (119.6) | (117.0) |
| 78. | Measuring & regulating equipment (477) | (77.3) | (5.7) | - | 0.3 | (82.7) | - | (82.7) | (80.0) |
| 79. | Meters (478) | (25.5) | (3.9) | 0.9 | 0.0 | (28.6) | - | (28.6) | (26.9) |
| 80. | Regulatory Overheads | (24.8) | (5.2) | - | - | (30.0) | - | (30.0) | (27.3) |
| | | | | | | | | | |
| 81. | Sub-Total | (950.9) | (62.7) | 5.0 | 2.7 | (1,005.9) | - | (1,005.9) | (980.1) |
| | | | | | | | | | |
| Union Rate Zones General Plant | | | | | | | | | |
| 82. | Structures & improvements (482) | (15.7) | (1.6) | - | - | (17.3) | - | (17.3) | (16.5) |
| 83. | Office furniture and equipment (483) | (6.4) | (0.7) | 0.9 | 0.0 | (6.2) | - | (6.2) | (6.6) |
| 84. | Office equipment - computers (483) | (90.5) | (25.2) | 69.1 | - | (46.6) | - | (46.6) | (96.3) |
| 85. | Transportation equipment (484) | (48.1) | (8.7) | 5.1 | (1.2) | (52.8) | - | (52.8) | (50.8) |
| 86. | Heavy work equipment (485) | (5.3) | (1.3) | 0.5 | - | (6.2) | - | (6.2) | (5.8) |
| 87. | Tools and work equipment (486) | (20.8) | (2.4) | 6.1 | - | (17.2) | - | (17.2) | (21.1) |
| 88. | NGV fuel equipment (487) | (1.4) | (0.1) | - | - | (1.6) | - | (1.6) | (1.5) |
| 89. | Communication equipment (488) | (9.4) | (0.7) | 4.9 | - | (5.1) | - | (5.1) | (8.5) |
| 90. | Regulatory Overheads | (31.0) | (6.3) | 9.8 | - | (27.5) | - | (27.5) | (33.9) |
| | | | | | | | | | |
| 91. | Sub-Total | (228.7) | (47.1) | 96.5 | (1.2) | (180.5) | - | (180.5) | (241.0) |
| | | | | | | | | | |
| 92. | Union Rate Zones Total | (4,144.3) | (317.4) | 118.3 | 15.4 | (4,328.1) | - | (4,328.1) | (4,279.7) |
| | | | | | | | | | |
| 93. | EGI Total | (7,803.2) | (625.4) | 247.4 | 61.4 | (8,119.8) | 3.6 | (8,116.2) | (7,994.0) |

EGI WORKING CAPITAL COMPONENTS
MONTH END BALANCES AND AVERAGE OF MONTHLY AVERAGES
2021 ACTUAL

| | Col. 1 | Col. 2 | Col. 3 | Col. 4 | Col. 5 | Col. 6 | Col. 7 | Col. 8 |
|---------------------------|------------------------|----------------|----------------------------|------------------|---------------|----------------|------------------------|--------------|
| Line No. | Materials and Supplies | ABC Receivable | Customer Security Deposits | Prepaid Expenses | Balancing Gas | Gas in Storage | Working Cash Allowance | Total |
| | (\$Millions) | (\$Millions) | (\$Millions) | (\$Millions) | (\$Millions) | (\$Millions) | (\$Millions) | (\$Millions) |
| 1. January 1 | 87.5 | (14.7) | (78.3) | (0.4) | 59.5 | 657.3 | 20.9 | 731.8 |
| 2. January 31 | 88.2 | (9.5) | (71.3) | (11.0) | 59.5 | 558.1 | 20.9 | 634.7 |
| 3. February | 88.6 | (15.2) | (71.2) | (4.0) | 59.5 | 426.1 | 20.9 | 504.6 |
| 4. March | 89.8 | (34.9) | (71.3) | 3.7 | 59.5 | 325.3 | 20.9 | 392.8 |
| 5. April | 92.4 | (26.5) | (71.2) | 7.0 | 59.5 | 308.0 | 20.9 | 389.9 |
| 6. May | 92.8 | (25.6) | (72.4) | 6.7 | 59.5 | 360.6 | 20.9 | 442.4 |
| 7. June | 94.4 | (31.1) | (66.2) | 7.5 | 59.5 | 475.2 | 20.9 | 560.1 |
| 8. July | 95.7 | (15.3) | (66.6) | 4.0 | 59.5 | 569.9 | 20.9 | 668.0 |
| 9. August | 98.4 | (9.2) | (66.7) | 9.0 | 59.5 | 664.2 | 20.9 | 776.0 |
| 10. September | 91.9 | (12.2) | (66.0) | 11.8 | 59.5 | 762.0 | 20.9 | 867.8 |
| 11. October | 93.4 | 2.2 | (65.8) | 13.3 | 59.5 | 984.0 | 20.9 | 1,107.4 |
| 12. November | 94.8 | 3.5 | (65.9) | 8.6 | 59.5 | 926.4 | 20.9 | 1,047.7 |
| 13. December | 91.4 | (10.0) | (65.1) | (0.8) | 59.5 | 895.1 | 20.9 | 990.9 |
| 14. Avg. of monthly avgs. | 92.5 | (15.5) | (68.9) | 4.7 | 59.5 | 594.7 | 20.9 | 687.7 |

EGI SUMMARY OF CAPITAL STRUCTURE & COST OF CAPITAL
2021 ACTUAL

| | Col. 1 | Col. 2 | Col. 3 | Col. 4 | Col. 5 (Col. 1x Col. 3) |
|------------------------------|--|-----------|-----------|---------------------|----------------------------|
| Line No. | Utility Capital Structure Principal | Component | Cost Rate | Return Component | Interest & Return |
| | (\$Millions) | % | % | % | (\$Millions) |
| 1. Long and Medium-Term Debt | 8,505.3 | 59.83 | 4.37 | 2.612 | 371.3 |
| 2. Short-Term Debt | 593.1 | 4.17 | 0.31 | 0.013 | 1.9 |
| 3. Total Debt | 9,098.3 | 64.00 | | 2.625 | |
| 4. Preference Shares | - | - | - | - | - |
| 5. Common Equity | 5,117.8 | 36.00 | 9.84 | 3.542 | 503.6 |
| 6. Total Rate Base | 14,216.1 | 100.00 | | 6.167 | 876.7 |

CALCULATION OF COST RATES
FOR EGI CAPITAL STRUCTURE COMPONENTS
2021 ACTUAL

| Line No. | | Col. 1 Average of Monthly Averages (\$Millions) | Col. 2 | Col. 3 Carrying Cost (\$Millions) |
|-------------|--|---|--------------|--|
| | <u>Long and Medium-Term Debt</u> | | | |
| 1. | Debt Summary | 8,833.5 | | 381.1 |
| 2. | Unamortized Finance Costs | (103.3) | | - |
| 3. | (Profit)/Loss on Redemption | - | | - |
| 4. | | <u>8,730.2</u> | | <u>381.1</u> |
| 5. | Percentage Allocation of Debt to Unregulated 2.58% | <u>(224.9)</u> | | <u>(9.8)</u> |
| 6. | Net Regulated Long and Medium-Term Debt | <u>8,505.3</u> | | <u>371.3</u> |
| 7. | Calculated Cost Rate | | <u>4.37%</u> | |
| | <u>Short-Term Debt</u> | | | |
| 8. | Calculated Cost Rate | | <u>0.31%</u> | |
| | <u>Preference Shares</u> | | | |
| 9. | Preference Share Summary | - | | - |
| 10. | Unamortized Finance Costs | - | | - |
| 11. | (Profit)/Loss on Redemption | - | | - |
| 12. | | <u>-</u> | | <u>-</u> |
| 13. | Calculated Cost Rate | | <u>0.00%</u> | |
| | <u>Common Equity</u> | | | |
| 14. | Board Formula ROE | | 8.34% | |
| 15. | Threshold before earnings sharing | | <u>1.50%</u> | |
| 16. | ROE for earnings sharing determination | | <u>9.84%</u> | |

EGI SUMMARY STATEMENT OF PRINCIPAL
AND CARRYING COST OF
TERM DEBT
2021 ACTUAL

| | | | Col. 1 | Col. 2 | Col. 3 |
|----------------------|-----------------|--------------------|------------------|-----------|----------------|
| Line | Coupon | | Average of | | |
| No. | Rate | Maturity Date | Monthly Averages | Effective | Carrying |
| | | | Principal | Cost Rate | Cost |
| | | | (\$Millions) | | (\$Millions) |
| Medium Term Notes | | | | | |
| 1. | 8.85% | October 2, 2025 | 20.0 | 8.97% | 1.8 |
| 2. | 7.60% | October 29, 2026 | 100.0 | 8.09% | 8.1 |
| 3. | 6.65% | November 3, 2027 | 100.0 | 6.71% | 6.7 |
| 4. | 6.10% | May 19, 2028 | 100.0 | 6.16% | 6.2 |
| 5. | 6.05% | July 5, 2023 | 100.0 | 6.38% | 6.4 |
| 6. | 6.90% | November 15, 2032 | 150.0 | 6.95% | 10.4 |
| 7. | 6.16% | December 16, 2033 | 150.0 | 6.18% | 9.3 |
| 8. | 5.21% | February 25, 2036 | 300.0 | 5.18% | 15.5 |
| 9. | 4.77% | December 17, 2021 | 167.7 | 5.31% | 8.9 |
| 10. | 4.95% | November 22, 2050 | 200.0 | 4.99% | 10.0 |
| 11. | 4.95% | November 22, 2050 | 100.0 | 4.73% | 4.7 |
| 12. | 4.50% | November 23, 2043 | 200.0 | 4.20% | 8.4 |
| 13. | 3.15% | August 22, 2024 | 215.0 | 3.24% | 7.0 |
| 14. | 4.00% | August 22, 2044 | 215.0 | 3.89% | 8.4 |
| 15. | 4.00% | August 22, 2044 | 170.0 | 4.44% | 7.5 |
| 16. | 3.31% | September 11, 2025 | 400.0 | 3.62% | 14.5 |
| 17. | 2.50% | August 5, 2026 | 300.0 | 3.42% | 10.3 |
| 18. | 3.51% | November 29, 2047 | 300.0 | 3.53% | 10.6 |
| 19. | 2.37% | August 9, 2029 | 400.0 | 3.23% | 12.9 |
| 20. | 3.01% | August 9, 2049 | 300.0 | 3.03% | 9.1 |
| 21. | 2.90% | April 1, 2030 | 600.0 | 3.41% | 20.4 |
| 22. | 3.65% | April 1, 2050 | 600.0 | 3.67% | 22.0 |
| 23. | 2.35% | September 1, 2031 | 138.5 | 2.94% | 4.1 |
| 24. | 3.20% | September 1, 2051 | 124.0 | 3.22% | 4.0 |
| 25. | 8.65% | November 10, 2025 | 125.0 | 8.77% | 11.0 |
| 26. | 5.46% | September 11, 2036 | 165.0 | 5.49% | 9.1 |
| 27. | 4.85% | April 25, 2022 | 125.0 | 4.91% | 6.1 |
| 28. | 6.05% | September 2, 2038 | 300.0 | 6.10% | 18.3 |
| 29. | 5.20% | July 23, 2040 | 250.0 | 5.27% | 13.2 |
| 30. | 4.88% | June 21, 2041 | 300.0 | 4.92% | 14.8 |
| 31. | 3.79% | July 10, 2023 | 250.0 | 3.87% | 9.7 |
| 32. | 2.76% | June 2, 2021 | 83.3 | 2.85% | 2.4 |
| 33. | 4.20% | June 2, 2044 | 250.0 | 4.24% | 10.6 |
| 34. | 4.20% | June 2, 2044 | 250.0 | 4.27% | 10.7 |
| 35. | 3.19% | September 17, 2025 | 200.0 | 3.26% | 6.5 |
| 36. | 2.81% | June 1, 2026 | 250.0 | 2.87% | 7.2 |
| 37. | 3.80% | June 1, 2046 | 250.0 | 3.84% | 9.6 |
| 38. | 3.59% | November 22, 2047 | 250.0 | 3.64% | 9.1 |
| 39. | 2.88% | November 22, 2027 | 250.0 | 2.95% | 7.4 |
| 40. | | | 8,748.5 | | 372.7 |
| Long-Term Debentures | | | | | |
| 41. | 9.85% | December 2, 2024 | 85.0 | 9.910% | 8.4 |
| 42. | | | 85.0 | | 8.4 |
| 43. | Total Term Debt | | 8,833.5 | | 381.1 |

EGI UNAMORTIZED DEBT DISCOUNT AND EXPENSE
AVERAGE OF MONTHLY AVERAGES
2021 ACTUAL

| | | Col. 1 |
|------|-----------------------------|---------------|
| Line | | Unamortized |
| No. | | Debt Discount |
| | | and Expense |
| | | (\$Millions) |
| 1. | January 1 | 100.9 |
| 2. | January 31 | 99.8 |
| 3. | February | 98.8 |
| 4. | March | 97.7 |
| 5. | April | 96.7 |
| 6. | May | 95.6 |
| 7. | June | 94.6 |
| 8. | July | 93.5 |
| 9. | August | 92.5 |
| 10. | September | 121.8 |
| 11. | October | 120.5 |
| 12. | November | 119.2 |
| 13. | December | 118.1 |
| 14. | Average of Monthly Averages | <u>103.3</u> |

RECONCILIATION OF AUDITED EGI INCOME (PER FINANCIAL STATEMENTS)
TO CORPORATE INCOME FOR UTILITY INCOME DETERMINATION PURPOSES
2021 ACTUAL

| | Col. 1 | Col. 2 | Col. 3 | Col. 4 |
|---|---|--|----------|-----------|
| Line no. (\$ millions) | Audited Income (as per Financial Statements) | Corporate Income (as per Utility Income Schedule) | Variance | Reference |
| Operating Revenues | | | | |
| 1. Gas sales and distribution | 3,996.4 | 4,513.2 | | |
| 2. Storage, transportation and other | 896.7 | - | | |
| 3. Transportation | - | 143.0 | | |
| 4. Storage | - | 159.7 | | |
| 5. Other operating revenue | - | 64.3 | | |
| 6. Other Income | 42.9 | 7.2 | | |
| 7. Total operating revenue | 4,936.0 | 4,887.4 | (48.6) | (a) |
| Operating Expenses | | | | |
| 8. Gas Costs | 2,146.2 | 2,146.2 | - | |
| 9. Operation and maintenance | 1,105.1 | 938.6 | (166.5) | (b) |
| 10. Depreciation and amortization expense | 676.8 | 676.8 | - | |
| 11. Fixed financing costs | - | 6.3 | 6.3 | (c) |
| 12. Municipal and other taxes | - | 117.9 | 117.9 | (d) |
| 13. Cost of service | 3,928.1 | 3,885.8 | (42.3) | |
| 14. Income before interest and income taxes | 1,007.9 | 1,001.6 | (6.3) | |
| 15. Interest and financing expenses | 393.9 | - | (393.9) | (e) |
| 16. Income before income taxes | 614.0 | 1,001.6 | 387.6 | |
| 17. Income taxes | 62.9 | - | (62.9) | (f) |
| 18. Net Income | 551.1 | 1,001.6 | 450.5 | |

Col. 2 - Corporate income as reported in Exhibit B, Tab 1, Schedule 2, Column 1

| | |
|--|---------|
| a) Audited Total Operating Revenue | 4,936.0 |
| Reclassify pension related other revenue to O&M | (36.0) |
| Reclassify EGD rate zone Open Bill and ABC T-service O&M against program revenues in other revenue | (12.8) |
| Reclassify other expenses out of other income to O&M | 0.2 |
| Corporate Total Operating Revenue | 4,887.4 |
| b) Audited Operation and Maintenance | 1,105.1 |
| Reclassify pension related other revenue to O&M | (36.0) |
| Reclassify Municipal & Property Taxes out of O&M | (117.9) |
| Reclassify EGD rate zone Open Bill and ABC T-service O&M against program revenues in other revenue | (12.8) |
| Reclassify other expenses out of other income to O&M | 0.2 |
| Corporate Operation and Maintenance | 938.6 |
| c) Audited Fixed Financing Costs | - |
| Reclassify fixed financing costs from interest and financing expenses | 6.3 |
| Corporate Fixed Financing Costs | 6.3 |
| d) Audited Municipal and Other Taxes | - |
| Reclassify Municipal and other taxes included within O&M costs | 117.9 |
| Corporate Municipal and Other Taxes | 117.9 |
| e) Audited Interest and Financing expenses | 393.9 |
| Reclassify fixed financing costs from interest and financing expenses | (6.3) |
| Elimination of interest expense and the amortization of debt issue and discount costs which are determined through the regulated capital structure | (387.6) |
| Corporate Interest and Financing expenses | - |
| f) Audited Income Taxes | 62.9 |
| Elimination of corporate income taxes which will be calculated on a utility stand-alone basis | (62.9) |
| Corporate Income Taxes | - |

DELIVERY REVENUE BY SERVICE TYPE, RATE CLASS AND SERVICE CLASS
ENBRIDGE GAS INC.

FOR THE YEAR ENDED DECEMBER 31, 2021

| | Col. 1 | Col. 2 | Col. 3 | Col. 4 | Col. 5 | Col. 6 |
|--|---------------------------|--------------|---------------|--------------|--------------|----------------|
| | Revenues (\$ Millions) | | | | | |
| Line No. | Sales | ABC-T | ABC-Unbundled | Bundled-T | T-Service | Total |
| 1 <u>General Service</u> | | | | | | |
| 2 Rate 1 | 920.6 | 16.4 | 0.0 | (0.0) | 0.0 | 937.0 |
| 3 Rate 6 | 288.5 | 78.0 | 0.0 | 28.4 | 0.0 | 394.9 |
| 4 Rate 9 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 5 Total EGD Rate Zone | 1,209.1 | 94.4 | 0.0 | 28.4 | 0.0 | 1,331.8 |
| 6 Rate M1 | 463.7 | 16.9 | 0.0 | 1.4 | 0.0 | 482.0 |
| 7 Rate M2 | 33.0 | 20.7 | 0.0 | 14.2 | 0.0 | 67.9 |
| 8 Rate 01 | 173.9 | 7.4 | 0.0 | 0.9 | 0.0 | 182.2 |
| 9 Rate 10 | 10.5 | 5.8 | 0.0 | 4.4 | 0.2 | 21.0 |
| 10 Total Union Rate Zones | 681.1 | 50.9 | 0.0 | 20.9 | 0.2 | 753.1 |
| 11 Total General Service | 1,890.2 | 145.3 | 0.0 | 49.3 | 0.2 | 2,084.9 |
| 12 <u>Wholesale - Utility</u> | | | | | | |
| 13 Rate M9 | 0.7 | 0.0 | 0.0 | 1.0 | 0.0 | 1.7 |
| 14 Rate M10 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 15 Total Wholesale - Utility | 0.7 | 0.0 | 0.0 | 1.0 | 0.0 | 1.7 |
| 16 <u>Contract Sales</u> | | | | | | |
| 17 Rate 100 | 0.6 | 0.3 | 0.0 | 1.1 | 0.0 | 2.0 |
| 18 Rate 110 | 2.6 | 4.6 | 0.0 | 24.0 | 0.0 | 31.2 |
| 19 Rate 115 | 0.0 | 0.0 | 0.0 | 5.4 | 0.0 | 5.4 |
| 20 Rate 125 | 0.0 | 0.0 | 0.0 | 0.0 | 11.9 | 11.9 |
| 21 Rate 135 | 0.2 | 0.2 | 0.0 | 1.2 | 0.0 | 1.5 |
| 22 Rate 145 | 0.0 | 0.1 | 0.0 | 1.5 | 0.0 | 1.7 |
| 23 Rate 170 | 0.1 | 0.2 | 0.0 | 2.6 | 0.0 | 2.9 |
| 24 Rate 200 | 3.2 | 0.0 | 0.0 | 1.6 | 0.0 | 4.9 |
| 25 Rate 300 | 0.0 | 0.0 | 0.0 | 0.0 | 0.1 | 0.1 |
| 26 Rate 315 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 27 Total EGD Rate Zone | 6.7 | 5.4 | 0.0 | 37.4 | 11.9 | 61.5 |
| 28 Rate M4 | 4.0 | 2.3 | 0.0 | 26.5 | 0.0 | 32.8 |
| 29 Rate M7 | 2.3 | 0.5 | 0.0 | 20.7 | 0.0 | 23.4 |
| 30 Rate 20 | 0.8 | 0.1 | 0.0 | 3.0 | 20.7 | 24.7 |
| 31 Rate 100 | 0.0 | 0.0 | 0.0 | 0.0 | 11.5 | 11.5 |
| 32 Rate T-1 | 0.0 | 0.0 | 0.0 | 0.0 | 13.9 | 13.9 |
| 33 Rate T-2 | 0.0 | 0.0 | 0.0 | 0.0 | 75.9 | 75.9 |
| 34 Rate T-3 | 0.0 | 0.0 | 0.0 | 0.0 | 7.2 | 7.2 |
| 35 Rate M5 | 0.2 | 0.2 | 0.0 | 2.2 | 0.0 | 2.5 |
| 36 Rate 25 | 2.7 | 0.0 | 0.0 | 0.4 | 2.7 | 5.8 |
| 37 Rate 30 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 38 Total Union Rate Zones | 9.9 | 3.1 | 0.0 | 52.8 | 131.9 | 197.7 |
| 39 Total Contract Sales | 16.6 | 8.5 | 0.0 | 90.3 | 143.9 | 259.2 |
| 40 Subtotal | 1,907.5 | 153.8 | 0.0 | 140.6 | 144.1 | 2,345.9 |
| 41 Accounting Adjustments: | | | | | | |
| 42 EGI Tax Variance | | | | | | (18.0) |
| 43 EGI Accounting Policy Change | | | | | | (16.2) |
| 44 EGD Average Use / Normalized Average Consumption | | | | | | 9.9 |
| 45 EGD Dawn Access COS (DACDA) | | | | | | 2.0 |
| 46 EGD Incremental Capital Module | | | | | | 0.2 |
| 47 EGD LRAM | | | | | | 0.0 |
| 48 EGD Federal Carbon Program | | | | | | 0.7 |
| 49 EGD Greenhouse Gas Emissions Administration | | | | | | 0.1 |
| 50 Union Average Use / Normalized Average Consumption | | | | | | 16.0 |
| 51 Union Incremental Capital Module | | | | | | (14.0) |
| 52 Union Capital Pass-through | | | | | | (4.4) |
| 53 Union LRAM | | | | | | 0.7 |
| 54 Union Federal Carbon Program | | | | | | 1.5 |
| 55 Elimination of the UGL rate zone unregulated storage cost from EGD rate zone revenues | | | | | | (17.2) |
| Total Utility Revenue | | | | | | 2,307.3 |

DELIVERY REVENUE BY SERVICE TYPE, RATE CLASS AND SERVICE CLASS
ENBRIDGE GAS INC.

FOR THE YEAR ENDED DECEMBER 31, 2020

| | Col. 1 | Col. 2 | Col. 3 | Col. 4 | Col. 5 | Col. 6 |
|--|---------------------------|--------------|---------------|-------------|--------------|----------------|
| | Revenues (\$ Millions) | | | | | |
| Line No. | Sales | ABC-T | ABC-Unbundled | Bundled-T | T-Service | Total |
| 1 <u>General Service</u> | | | | | | |
| 2 Rate 1 | 912.6 | 19.9 | 0.0 | 0.0 | 0.1 | 932.6 |
| 3 Rate 6 | 284.9 | 81.3 | 0.0 | 0.0 | 28.4 | 394.6 |
| 4 Rate 9 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 5 Total EGD Rate Zone | 1,197.5 | 101.2 | 0.0 | 0.0 | 28.5 | 1,327.3 |
| 6 Rate M1 | 448.2 | 18.7 | (0.0) | 1.3 | 0.0 | 468.1 |
| 7 Rate M2 | 33.5 | 21.2 | 0.0 | 14.3 | 0.0 | 69.0 |
| 8 Rate 01 | 171.7 | 8.5 | 0.0 | 1.0 | 0.0 | 181.2 |
| 9 Rate 10 | 10.7 | 6.1 | 0.0 | 5.2 | 0.3 | 22.4 |
| 10 Total Union Rate Zones | 664.1 | 54.5 | (0.0) | 21.8 | 0.3 | 740.7 |
| 11 Total General Service | 1,861.6 | 155.7 | (0.0) | 21.8 | 28.8 | 2,068.0 |
| 12 <u>Wholesale - Utility</u> | | | | | | |
| 13 Rate M9 | 0.6 | 0.0 | 0.0 | 0.9 | 0.0 | 1.6 |
| 14 Rate M10 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 15 Total Wholesale - Utility | 0.7 | 0.0 | 0.0 | 0.9 | 0.0 | 1.6 |
| 16 <u>Contract Sales</u> | | | | | | |
| 17 Rate 100 | 0.6 | 0.2 | 0.0 | 0.0 | 0.7 | 1.5 |
| 18 Rate 110 | 2.6 | 2.8 | 0.0 | 0.0 | 21.1 | 26.5 |
| 19 Rate 115 | 0.3 | 0.0 | 0.0 | 0.0 | 5.1 | 5.4 |
| 20 Rate 125 | 0.0 | 0.0 | 11.5 | 0.0 | 0.0 | 11.5 |
| 21 Rate 135 | 0.1 | 0.1 | 0.0 | 0.0 | 1.1 | 1.3 |
| 22 Rate 145 | 0.0 | 0.1 | 0.0 | 0.0 | 1.0 | 1.1 |
| 23 Rate 170 | 0.1 | 0.2 | 0.0 | 0.0 | 2.3 | 2.5 |
| 24 Rate 200 | 3.1 | 0.0 | 0.0 | 0.0 | 1.4 | 4.5 |
| 25 Rate 300 | 0.0 | 0.0 | 0.1 | 0.0 | 0.0 | 0.1 |
| 26 Rate 315 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 27 Total EGD Rate Zone | 6.7 | 3.4 | 11.6 | 0.0 | 32.7 | 54.4 |
| 28 Rate M4 | 3.5 | 1.7 | 0.0 | 26.4 | 0.0 | 31.6 |
| 29 Rate M7 | 1.6 | 0.3 | 0.0 | 16.8 | 0.0 | 18.8 |
| 30 Rate 20 Storage | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 31 Rate 20 Transportation | 0.9 | 0.1 | 0.0 | 2.7 | 21.2 | 25.0 |
| 32 Rate 100 Storage | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 33 Rate 100 Transportation | 0.0 | 0.0 | 0.0 | 0.0 | 11.3 | 11.3 |
| 34 Rate T-1 Storage | 0.0 | 0.0 | 0.0 | 0.0 | 1.4 | 1.4 |
| 35 Rate T-1 Transportation | 0.0 | 0.0 | 0.0 | 0.0 | 12.2 | 12.2 |
| 36 Rate T-2 Storage | 0.0 | 0.0 | 0.0 | 0.0 | 7.2 | 7.2 |
| 37 Rate T-2 Transportation | 0.0 | 0.0 | 0.0 | 0.0 | 66.9 | 66.9 |
| 38 Rate T-3 Storage | 0.0 | 0.0 | 0.0 | 0.0 | 1.4 | 1.4 |
| 39 Rate T-3 Transportation | 0.0 | 0.0 | 0.0 | 0.0 | 5.8 | 5.8 |
| 40 Rate M5 | 0.1 | 0.1 | 0.0 | 2.0 | 0.0 | 2.3 |
| 41 Rate 25 | 1.1 | 0.0 | 0.0 | 0.0 | 2.8 | 3.8 |
| 42 Rate 30 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 43 Total Union Rate Zones | 7.3 | 2.3 | 0.0 | 47.9 | 130.1 | 187.6 |
| 44 Total Contract Sales | 14.0 | 5.7 | 11.6 | 47.9 | 162.7 | 241.9 |
| 45 Subtotal | 1,876.3 | 161.4 | 11.6 | 70.7 | 191.6 | 2,311.5 |
| 46 Accounting Adjustments: | | | | | | |
| 47 EGI Tax Variance | | | | | | (13.4) |
| 48 EGI Accounting Policy Change | | | | | | (14.0) |
| 49 EGD Average Use/ Normalized Average Consumption | | | | | | (2.5) |
| 50 EGD Dawn Access Cost | | | | | | 2.1 |
| 51 EGD Incremental Capital Module | | | | | | (0.3) |
| 52 EGD Transactional Services Revenue | | | | | | 12.0 |
| 53 EGD LRAM | | | | | | 0.0 |
| 54 EGD Federal Carbon Program | | | | | | 0.6 |
| 55 EGD Greenhouse Gas Emissions Administration | | | | | | 0.2 |
| 56 EGD Reverse 2019 Gas Supply Plan Cost Consequences reversed | | | | | | (3.9) |
| 57 EGD Elimination of 2019 Gas Supply Plan Cost Consequences reversal | | | | | | 3.9 |
| 58 Union Average Use/ Normalized Average Consumption | | | | | | 6.7 |
| 59 Union Parkway Obligation Rate Variance | | | | | | 0.0 |
| 60 Union Incremental Capital Module | | | | | | (5.6) |
| 61 Union Capital Pass-through | | | | | | (1.1) |
| 62 Union LRAM | | | | | | 1.4 |
| 63 Union Federal Carbon Program | | | | | | 1.2 |
| 64 Elimination of the UGL rate zone unregulated storage cost from EGD rate zone revenues | | | | | | (17.7) |
| 65 Miscellaneous | | | | | | 0.7 |
| Total Utility Revenue | | | | | | 2,281.9 |

CUSTOMER METERS, VOLUMES AND REVENUES BY RATE CLASS
ENBRIDGE GAS INC.

FOR THE YEAR ENDED DECEMBER 31, 2021

| Line No. | | Col. 1 | Col. 2 | Col. 3 | Col. 4 | Col. 5 | Col. 6 | Col. 7 | Col. 8 | Col. 9 |
|-------------|---|------------------|----------------|------------------|---|-------------------|-------------------|---------------------------|--------------|----------------|
| | | Customer Meters | | | Throughput Volumes (10 ³ M ³) | | | Revenues (\$ Millions) | | |
| | | Sales | T-Service | Total | Sales | T-Service | Total | Sales | T-Service | Total |
| 1 | General Service | | | | | | | | | |
| 2 | Rate 1 | 2,064,173 | 34,054 | 2,098,227 | 4,665,992 | 82,730 | 4,748,722 | 1,749.7 | 18.5 | 1,768.3 |
| 3 | Rate 6 | 147,546 | 22,416 | 169,962 | 2,740,101 | 1,698,331 | 4,438,432 | 775.8 | 144.3 | 920.1 |
| 4 | Rate 9 | 2 | 0 | 2 | 3 | 0 | 3 | 0.0 | 0.0 | 0.0 |
| 5 | Total EGD Rate Zone | 2,211,721 | 56,470 | 2,268,191 | 7,406,097 | 1,781,061 | 9,187,158 | 2,525.6 | 162.8 | 2,688.3 |
| 6 | Rate M1 | 1,140,908 | 29,855 | 1,170,763 | 2,728,007 | 169,080 | 2,897,087 | 853.1 | 18.3 | 871.4 |
| 7 | Rate M2 | 4,749 | 3,206 | 7,955 | 526,743 | 587,121 | 1,113,864 | 109.2 | 35.0 | 144.2 |
| 8 | Rate O1 | 351,562 | 10,059 | 361,621 | 871,182 | 58,759 | 929,941 | 364.2 | 12.8 | 377.1 |
| 9 | Rate 10 | 1,369 | 878 | 2,247 | 148,728 | 163,067 | 311,794 | 40.9 | 20.0 | 60.9 |
| 10 | Total Union Rate Zones | 1,498,588 | 43,998 | 1,542,586 | 4,274,660 | 978,026 | 5,252,686 | 1,367.4 | 86.1 | 1,453.5 |
| 11 | Total General Service | 3,710,309 | 100,468 | 3,810,777 | 11,680,756 | 2,759,087 | 14,439,844 | 3,893.0 | 248.9 | 4,141.9 |
| 12 | Wholesale - Utility | | | | | | | | | |
| 13 | Rate M9 | 1 | 3 | 4 | 15,903 | 74,193 | 90,096 | 3.0 | 1.0 | 4.0 |
| 14 | Rate M10 | 2 | 0 | 2 | 320 | 0 | 320 | 0.1 | 0.0 | 0.1 |
| 15 | Total Wholesale - Utility | 3 | 3 | 6 | 16,223 | 74,193 | 90,415 | 3.1 | 1.0 | 4.1 |
| 16 | Contract Sales | | | | | | | | | |
| 17 | Rate 100 | 6 | 10 | 16 | 12,899 | 21,095 | 33,994 | 2.9 | 1.8 | 4.7 |
| 18 | Rate 110 | 110 | 305 | 415 | 83,260 | 1,018,629 | 1,101,890 | 16.6 | 40.4 | 57.0 |
| 19 | Rate 115 | 2 | 15 | 17 | 1,002 | 386,695 | 387,697 | 0.2 | 8.2 | 8.3 |
| 20 | Rate 125 | 0 | 4 | 4 | 0 | 707,660 | 707,660 | 0.0 | 11.9 | 11.9 |
| 21 | Rate 135 | 7 | 35 | 42 | 2,624 | 60,488 | 63,112 | 0.6 | 1.6 | 2.2 |
| 22 | Rate 145 | 5 | 15 | 20 | 0 | 24,785 | 24,785 | 0.0 | 1.9 | 1.9 |
| 23 | Rate 170 | 1 | 22 | 23 | 6,302 | 249,399 | 255,701 | 1.1 | 1.2 | 2.3 |
| 24 | Rate 200 | 1 | 0 | 1 | 137,779 | 54,230 | 192,010 | 27.8 | 2.4 | 30.2 |
| 25 | Rate 300 | 0 | 2 | 2 | 0 | 269 | 269 | 0.0 | 0.1 | 0.1 |
| 26 | Rate 315 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0.0 | 0.0 |
| 27 | Total EGD Rate Zone | 132 | 408 | 540 | 243,868 | 2,523,251 | 2,767,118 | 49.2 | 69.4 | 118.6 |
| 28 | Rate M4 | 37 | 190 | 227 | 56,304 | 554,504 | 610,808 | 12.0 | 28.8 | 40.8 |
| 29 | Rate M7 | 5 | 56 | 61 | 31,987 | 654,366 | 686,353 | 6.7 | 21.2 | 27.9 |
| 30 | Rate 20 | 5 | 54 | 59 | 8,464 | 629,136 | 637,600 | 2.9 | 30.6 | 33.5 |
| 31 | Rate 100 | 0 | 12 | 12 | 0 | 958,587 | 958,587 | 0.0 | 11.5 | 11.5 |
| 32 | Rate T-1 | 0 | 39 | 39 | 0 | 453,007 | 453,007 | 0.0 | 13.9 | 13.9 |
| 33 | Rate T-2 | 0 | 25 | 25 | 0 | 4,700,474 | 4,700,474 | 0.0 | 76.0 | 76.0 |
| 34 | Rate T-3 | 0 | 1 | 1 | 0 | 241,187 | 241,187 | 0.0 | 7.2 | 7.2 |
| 35 | Rate M5 | 4 | 34 | 38 | 4,043 | 59,468 | 63,511 | 0.8 | 2.3 | 3.1 |
| 36 | Rate 25 | 37 | 30 | 67 | 79,188 | 64,709 | 143,898 | 15.6 | 3.1 | 18.8 |
| 37 | Rate 30 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0.0 | 0.0 |
| 38 | Total Union Rate Zones | 88 | 441 | 529 | 179,987 | 8,315,439 | 8,495,425 | 38.0 | 194.7 | 232.7 |
| 39 | Total Contract Sales | 220 | 849 | 1,069 | 423,854 | 10,838,690 | 11,262,544 | 87.2 | 264.1 | 351.3 |
| 40 | Subtotal | 3,710,532 | 101,320 | 3,811,852 | 12,120,833 | 13,671,970 | 25,792,803 | 3,983.3 | 514.0 | 4,497.3 |
| 41 | Accounting Adjustments: | | | | | | | | | |
| 42 | EGI Tax Variance | | | | | | | | | (18.0) |
| 43 | EGI Accounting Policy Change | | | | | | | | | (16.2) |
| 44 | EGD Average Use / Normalized Average Consumption | | | | | | | | | 15.4 |
| 45 | EGD Dawn Access COS (DACDA) | | | | | | | | | 2.0 |
| 46 | EGD Incremental Capital Module | | | | | | | | | 0.2 |
| 47 | EGD LRAM | | | | | | | | | 0.0 |
| 48 | EGD Federal Carbon Program | | | | | | | | | 0.7 |
| 49 | EGD Greenhouse Gas Emissions Administration | | | | | | | | | 0.1 |
| 50 | EGD Transactional Services Revenue | | | | | | | | | 12.0 |
| 51 | Union Average Use / Normalized Average Consumption | | | | | | | | | 19.0 |
| 52 | Union Incremental Capital Module | | | | | | | | | (14.0) |
| 53 | Union Capital Pass-through | | | | | | | | | (4.4) |
| 54 | Union LRAM | | | | | | | | | 0.7 |
| 55 | Union Federal Carbon Program | | | | | | | | | 1.5 |
| 56 | Elimination of the UGL rate zone unregulated storage cost from EGD rate zone revenues | | | | | | | | | (17.2) |
| 57 | Miscellaneous | | | | | | | | | 1.4 |
| 58 | Total Utility Revenue | | | | | | | | | 4,480.6 |

WEATHER NORMALIZED CUSTOMER METERS, VOLUMES AND REVENUES BY RATE CLASS
ENBRIDGE GAS INC.

FOR THE YEAR ENDED DECEMBER 31, 2021

| Line No. | | Col. 1 | Col. 2 | Col. 3 | Col. 4 | Col. 5 | Col. 6 | Col. 7 | Col. 8 | Col. 9 |
|----------|---|------------------|----------------|------------------|---|-------------------|-------------------|---------------------------|--------------|----------------|
| | | Customer Meters | | | Throughput Volumes (10 ³ M ³) | | | Revenues (\$ Millions) | | |
| | | Sales | T-Service | Total | Sales | T-Service | Total | Sales | T-Service | Total |
| 1 | <u>General Service</u> | | | | | | | | | |
| 2 | Rate 1 | 2,064,173 | 34,054 | 2,098,227 | 4,930,993 | 86,477 | 5,017,470 | 1,810.6 | 18.9 | 1,829.5 |
| 3 | Rate 6 | 147,546 | 22,416 | 169,962 | 2,899,533 | 1,806,248 | 4,705,781 | 807.3 | 152.6 | 959.9 |
| 4 | Rate 9 | 2 | 0 | 2 | 3 | 0 | 3 | 0.0 | 0.0 | 0.0 |
| 5 | Total EGD Rate Zone | 2,211,721 | 56,470 | 2,268,191 | 7,830,529 | 1,892,725 | 9,723,254 | 2,617.9 | 171.6 | 2,789.5 |
| 6 | Rate M1 | 1,140,908 | 29,855 | 1,170,763 | 2,901,101 | 179,808 | 3,080,909 | 881.4 | 18.7 | 900.1 |
| 7 | Rate M2 | 4,749 | 3,206 | 7,955 | 559,108 | 623,195 | 1,182,303 | 114.6 | 36.8 | 151.4 |
| 8 | Rate O1 | 351,562 | 10,059 | 361,621 | 935,043 | 63,066 | 998,109 | 381.5 | 13.4 | 395.0 |
| 9 | Rate 10 | 1,369 | 878 | 2,247 | 157,870 | 173,090 | 330,960 | 43.0 | 21.1 | 64.1 |
| 10 | Total Union Rate Zones | 1,498,588 | 43,998 | 1,542,586 | 4,553,121 | 1,039,160 | 5,592,281 | 1,420.5 | 90.1 | 1,510.6 |
| 11 | Total General Service | 3,710,309 | 100,468 | 3,810,777 | 12,383,650 | 2,931,885 | 15,315,535 | 4,038.4 | 261.6 | 4,300.1 |
| 12 | <u>Wholesale - Utility</u> | | | | | | | | | |
| 13 | Rate M9 | 1 | 3 | 4 | 15,903 | 74,193 | 90,096 | 3.0 | 1.0 | 4.0 |
| 14 | Rate M10 | 2 | 0 | 2 | 320 | 0 | 320 | 0.1 | 0.0 | 0.1 |
| 15 | Total Wholesale - Utility | 3 | 3 | 6 | 16,223 | 74,193 | 90,415 | 3.1 | 1.0 | 4.1 |
| 16 | <u>Contract Sales</u> | | | | | | | | | |
| 17 | Rate 100 | 6 | 10 | 16 | 12,899 | 21,095 | 33,994 | 2.9 | 1.8 | 4.7 |
| 18 | Rate 110 | 110 | 305 | 415 | 83,587 | 1,020,335 | 1,103,922 | 16.7 | 40.4 | 57.1 |
| 19 | Rate 115 | 2 | 15 | 17 | 1,011 | 386,733 | 387,744 | 0.2 | 8.2 | 8.4 |
| 20 | Rate 125 | 0 | 4 | 4 | 0 | 707,660 | 707,660 | 0.0 | 11.9 | 11.9 |
| 21 | Rate 135 | 7 | 35 | 42 | 2,624 | 60,488 | 63,112 | 0.6 | 1.6 | 2.2 |
| 22 | Rate 145 | 5 | 15 | 20 | 29 | 24,912 | 24,941 | 0.0 | 1.9 | 1.9 |
| 23 | Rate 170 | 1 | 22 | 23 | 6,302 | 250,441 | 256,744 | 1.1 | 1.3 | 2.3 |
| 24 | Rate 200 | 1 | 0 | 1 | 145,763 | 54,230 | 199,994 | 29.1 | 2.4 | 31.5 |
| 25 | Rate 300 | 0 | 2 | 2 | 0 | 269 | 269 | 0.0 | 0.1 | 0.1 |
| 26 | Rate 315 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0.0 | 0.0 |
| 27 | Total EGD Rate Zone | 132 | 408 | 540 | 252,216 | 2,526,164 | 2,778,379 | 50.5 | 69.5 | 120.0 |
| 28 | Rate M4 | 37 | 190 | 227 | 56,304 | 554,504 | 610,808 | 12.0 | 28.8 | 40.8 |
| 29 | Rate M7 | 5 | 56 | 61 | 31,987 | 654,366 | 686,353 | 6.7 | 21.2 | 27.9 |
| 30 | Rate 20 | 5 | 54 | 59 | 8,464 | 629,136 | 637,600 | 2.9 | 30.6 | 33.5 |
| 31 | Rate 100 | 0 | 12 | 12 | 0 | 958,587 | 958,587 | 0.0 | 11.5 | 11.5 |
| 32 | Rate T-1 | 0 | 39 | 39 | 0 | 453,007 | 453,007 | 0.0 | 13.9 | 13.9 |
| 33 | Rate T-2 | 0 | 25 | 25 | 0 | 4,700,474 | 4,700,474 | 0.0 | 76.0 | 76.0 |
| 34 | Rate T-3 | 0 | 1 | 1 | 0 | 241,187 | 241,187 | 0.0 | 7.2 | 7.2 |
| 35 | Rate M5 | 4 | 34 | 38 | 4,043 | 59,468 | 63,511 | 0.8 | 2.3 | 3.1 |
| 36 | Rate 25 | 37 | 30 | 67 | 79,188 | 64,709 | 143,898 | 15.6 | 3.1 | 18.8 |
| 37 | Rate 30 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0.0 | 0.0 |
| 38 | Total Union Rate Zones | 88 | 441 | 529 | 179,987 | 8,315,439 | 8,495,425 | 38.0 | 194.7 | 232.7 |
| 39 | Total Contract Sales | 220 | 849 | 1,069 | 432,202 | 10,841,602 | 11,273,805 | 88.5 | 264.1 | 352.7 |
| 40 | Subtotal | 3,710,532 | 101,320 | 3,811,852 | 12,832,075 | 13,847,680 | 26,679,755 | 4,130.0 | 526.8 | 4,656.8 |
| 41 | Accounting Adjustments: | | | | | | | | | |
| 42 | EGI Tax Variance | | | | | | | | | (18.0) |
| 43 | EGI Accounting Policy Change | | | | | | | | | (16.2) |
| 44 | EGD Average Use / Normalized Average Consumption | | | | | | | | | 15.4 |
| 45 | EGD Dawn Access COS (DACDA) | | | | | | | | | 2.0 |
| 46 | EGD Incremental Capital Module | | | | | | | | | 0.2 |
| 47 | EGD LRAM | | | | | | | | | 0.0 |
| 48 | EGD Federal Carbon Program | | | | | | | | | 0.7 |
| 49 | EGD Greenhouse Gas Emissions Administration | | | | | | | | | 0.1 |
| 50 | EGD Transactional Services Revenue | | | | | | | | | 12.0 |
| 51 | Union Average Use / Normalized Average Consumption | | | | | | | | | 19.0 |
| 52 | Union Incremental Capital Module | | | | | | | | | (14.0) |
| 53 | Union Capital Pass-through | | | | | | | | | (4.4) |
| 54 | Union LRAM | | | | | | | | | 0.7 |
| 55 | Union Federal Carbon Program | | | | | | | | | 1.5 |
| 56 | Elimination of the UGL rate zone unregulated storage cost from EGD rate zone revenues | | | | | | | | | (17.2) |
| 57 | Miscellaneous | | | | | | | | | 1.4 |
| 58 | Total Utility Revenue | | | | | | | | | 4,640.1 |

CUSTOMER METERS, VOLUMES AND REVENUES BY RATE CLASS
ENBRIDGE GAS INC.

FOR THE YEAR ENDED DECEMBER 31, 2020

| Line No. | | Col. 1 | Col. 2 | Col. 3 | Col. 4 | Col. 5 | Col. 6 | Col. 7 | Col. 8 | Col. 9 |
|----------|---|------------------|----------------|------------------|--------------------|-----------------------------------|-------------------|----------------|---------------|----------------|
| | | Customer Meters | | | Throughput Volumes | | | Revenues | | |
| | | Sales | T-Service | Total | Sales | T-Service | Total | Sales | T-Service | Total |
| | | | | | | (10 ³ M ³) | | | (\$ Millions) | |
| 1 | <u>General Service</u> | | | | | | | | | |
| 2 | Rate 1 | 2,020,078 | 44,454 | 2,064,531 | 4,789,664 | 104,740 | 4,894,404 | 1,618.2 | 28.4 | 1,646.6 |
| 3 | Rate 6 | 145,283 | 23,801 | 169,084 | 2,810,280 | 1,840,046 | 4,650,326 | 663.4 | 187.5 | 850.9 |
| 4 | Rate 9 | 2 | 0 | 2 | 127 | 0 | 127 | 0.0 | 0.0 | 0.0 |
| 5 | Total EGD Rate Zone | 2,165,363 | 68,254 | 2,233,617 | 7,600,071 | 1,944,786 | 9,544,857 | 2,281.6 | 215.9 | 2,497.5 |
| 6 | Rate M1 | 1,128,040 | 35,176 | 1,163,216 | 2,815,940 | 187,938 | 3,003,878 | 772.5 | 19.9 | 792.4 |
| 7 | Rate M2 | 4,324 | 3,571 | 7,895 | 571,025 | 633,316 | 1,204,341 | 99.3 | 35.6 | 134.8 |
| 8 | Rate 01 | 347,480 | 12,515 | 359,995 | 913,225 | 69,511 | 982,736 | 340.3 | 14.5 | 354.8 |
| 9 | Rate 10 | 1,156 | 982 | 2,138 | 155,265 | 187,391 | 342,656 | 37.1 | 21.9 | 58.9 |
| 10 | Total Union Rate Zones | 1,481,000 | 52,244 | 1,533,244 | 4,455,454 | 1,078,157 | 5,533,611 | 1,249.1 | 91.9 | 1,341.0 |
| 11 | Total General Service | 3,646,363 | 120,498 | 3,766,861 | 12,055,525 | 3,022,943 | 15,078,468 | 3,530.7 | 307.8 | 3,838.5 |
| 12 | <u>Wholesale - Utility</u> | | | | | | | | | |
| 13 | Rate M9 | 1 | 3 | 4 | 16,236 | 72,529 | 88,765 | 2.5 | 0.9 | 3.5 |
| 14 | Rate M10 | 2 | 0 | 2 | 360 | 0 | 360 | 0.1 | 0.0 | 0.1 |
| 15 | Total Wholesale - Utility | 3 | 3 | 6 | 16,596 | 72,529 | 89,125 | 2.6 | 0.9 | 3.5 |
| 16 | <u>Contract Sales</u> | | | | | | | | | |
| 17 | Rate 100 | 2 | 7 | 9 | 9,142 | 10,969 | 20,111 | 1.8 | 1.2 | 3.0 |
| 18 | Rate 110 | 57 | 279 | 335 | 71,781 | 909,360 | 981,141 | 9.6 | 36.4 | 45.9 |
| 19 | Rate 115 | 1 | 19 | 20 | 728 | 377,311 | 378,039 | 0.2 | 7.6 | 7.8 |
| 20 | Rate 125 | 4 | 0 | 4 | 0 | 523,436 | 523,436 | 0.0 | 11.4 | 11.4 |
| 21 | Rate 135 | 5 | 36 | 40 | 1,785 | 63,502 | 65,287 | 0.4 | 1.6 | 2.0 |
| 22 | Rate 145 | 3 | 19 | 22 | 628 | 22,768 | 23,396 | 0.3 | 1.3 | 1.6 |
| 23 | Rate 170 | 3 | 18 | 21 | 4,843 | 242,587 | 247,430 | 0.6 | 0.7 | 1.4 |
| 24 | Rate 200 | 1 | 0 | 1 | 137,358 | 52,115 | 189,473 | 23.1 | 2.4 | 25.5 |
| 25 | Rate 300 | 2 | 0 | 2 | 0 | 262 | 262 | 0.0 | 0.1 | 0.1 |
| 26 | Rate 315 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0.0 | 0.0 |
| 27 | Total EGD Rate Zone | 77 | 377 | 454 | 226,265 | 2,202,309 | 2,428,574 | 36.0 | 62.6 | 98.7 |
| 28 | Rate M4 | 35 | 201 | 236 | 56,325 | 565,055 | 621,380 | 9.9 | 28.1 | 38.0 |
| 29 | Rate M7 | 4 | 49 | 53 | 28,488 | 589,884 | 618,372 | 4.7 | 17.1 | 21.8 |
| 30 | Rate 20 Storage | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 2.5 | 2.5 |
| 31 | Rate 20 Transportation | 4 | 53 | 57 | 9,423 | 769,053 | 778,476 | 3.1 | 27.5 | 30.6 |
| 32 | Rate 100 Storage | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0.0 | 0.0 |
| 33 | Rate 100 Transportation | 0 | 12 | 12 | 0 | 996,605 | 996,605 | 0.0 | 11.3 | 11.3 |
| 34 | Rate T-1 Storage | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 1.4 | 1.4 |
| 35 | Rate T-1 Transportation | 0 | 39 | 39 | 0 | 430,312 | 430,312 | 0.0 | 12.2 | 12.2 |
| 36 | Rate T-2 Storage | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 7.2 | 7.2 |
| 37 | Rate T-2 Transportation | 0 | 25 | 25 | 0 | 4,017,975 | 4,017,975 | 0.0 | 66.9 | 66.9 |
| 38 | Rate T-3 Storage | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 1.4 | 1.4 |
| 39 | Rate T-3 Transportation | 0 | 1 | 1 | 0 | 264,209 | 264,209 | 0.0 | 5.8 | 5.8 |
| 40 | Rate M5 | 5 | 33 | 38 | 2,712 | 59,105 | 61,817 | 0.4 | 2.1 | 2.6 |
| 41 | Rate 25 | 38 | 26 | 64 | 29,990 | 62,848 | 92,838 | 5.0 | 2.8 | 7.8 |
| 42 | Rate 30 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0.0 | 0.0 |
| 43 | Total Union Rate Zones | 86 | 439 | 525 | 126,938 | 7,755,045 | 7,881,983 | 23.1 | 186.2 | 209.4 |
| 44 | Total Contract Sales | 163 | 816 | 979 | 353,203 | 9,957,354 | 10,310,557 | 59.2 | 248.8 | 308.0 |
| 45 | Subtotal | 3,646,529 | 121,318 | 3,767,846 | 12,425,324 | 13,052,825 | 25,478,150 | 3,592.5 | 557.6 | 4,150.1 |
| 46 | Accounting Adjustments: | | | | | | | | | |
| 47 | EGI Tax Variance | | | | | | | | | (13.4) |
| 48 | EGI Accounting Policy Change | | | | | | | | | (14.0) |
| 49 | EGD Average Use/ Normalized Average Consumption | | | | | | | | | (4.6) |
| 50 | EGD Dawn Access Cost | | | | | | | | | 2.1 |
| 51 | EGD Incremental Capital Module | | | | | | | | | (0.3) |
| 52 | EGD Transactional Services Revenue | | | | | | | | | 12.0 |
| 53 | EGD LRAM | | | | | | | | | 0.0 |
| 54 | EGD Federal Carbon Program | | | | | | | | | 0.6 |
| 55 | EGD Greenhouse Gas Emissions Administration | | | | | | | | | 0.2 |
| 56 | EGD Reverse 2019 Gas Supply Plan Cost Consequences reversed | | | | | | | | | (3.9) |
| 57 | EGD Elimination of 2019 Gas Supply Plan Cost Consequences reversal | | | | | | | | | 3.9 |
| 58 | Union Average Use/ Normalized Average Consumption | | | | | | | | | 7.2 |
| 59 | Union Parkway Obligation Rate Variance | | | | | | | | | 0.0 |
| 60 | Union Incremental Capital Module | | | | | | | | | (5.6) |
| 61 | Union Capital Pass-through | | | | | | | | | (1.1) |
| 62 | Union LRAM | | | | | | | | | 1.4 |
| 63 | Union Federal Carbon Program | | | | | | | | | 1.2 |
| 64 | Elimination of the UGL rate zone unregulated storage cost from EGD rate zone revenues | | | | | | | | | (17.7) |
| 66 | Miscellaneous | | | | | | | | | 0.7 |
| 67 | Total Utility Revenue | | | | | | | | | 4,118.8 |

WEATHER NORMALIZED CUSTOMER METERS, VOLUMES AND REVENUES BY RATE CLASS
ENBRIDGE GAS INC.

FOR THE YEAR ENDED DECEMBER 31, 2020

| Line No. | | Col. 1 | Col. 2 | Col. 3 | Col. 4 | Col. 5 | Col. 6 | Col. 7 | Col. 8 | Col. 9 |
|----------|---|------------------|----------------|------------------|---|-------------------|-------------------|---------------------------|--------------|----------------|
| | | Customer Meters | | | Throughput Volumes (10 ³ M ³) | | | Revenues (\$ Millions) | | |
| | | Sales | T-Service | Total | Sales | T-Service | Total | Sales | T-Service | Total |
| 1 | <u>General Service</u> | | | | | | | | | |
| 2 | Rate 1 | 2,020,078 | 44,454 | 2,064,531 | 4,925,067 | 107,556 | 5,032,623 | 1,650.3 | 28.7 | 1,679.0 |
| 3 | Rate 6 | 145,283 | 23,801 | 169,084 | 2,919,935 | 1,887,608 | 4,807,543 | 686.1 | 190.5 | 876.6 |
| 4 | Rate 9 | 2 | 0 | 2 | 127 | 0 | 127 | 0.0 | 0.0 | 0.0 |
| 5 | Total EGD Rate Zone | 2,165,363 | 68,254 | 2,233,617 | 7,845,129 | 1,995,164 | 9,840,293 | 2,336.4 | 219.2 | 2,555.6 |
| 6 | Rate M1 | 1,128,040 | 35,176 | 1,163,216 | 2,966,369 | 197,978 | 3,164,348 | 801.4 | 20.3 | 821.7 |
| 7 | Rate M2 | 4,324 | 3,571 | 7,895 | 595,912 | 660,918 | 1,256,830 | 104.1 | 36.9 | 141.0 |
| 8 | Rate O1 | 347,480 | 12,515 | 359,995 | 954,899 | 72,683 | 1,027,582 | 352.7 | 15.0 | 367.6 |
| 9 | Rate 10 | 1,156 | 982 | 2,138 | 160,473 | 193,677 | 354,151 | 38.4 | 22.6 | 61.0 |
| 10 | Total Union Rate Zones | 1,481,000 | 52,244 | 1,533,244 | 4,677,654 | 1,125,257 | 5,802,911 | 1,296.5 | 94.8 | 1,391.3 |
| 11 | Total General Service | 3,646,363 | 120,498 | 3,766,861 | 12,522,783 | 3,120,421 | 15,643,204 | 3,632.9 | 314.0 | 3,946.9 |
| 12 | <u>Wholesale - Utility</u> | | | | | | | | | |
| 13 | Rate M9 | 1 | 3 | 4 | 16,236 | 72,529 | 88,765 | 2.5 | 0.9 | 3.5 |
| 14 | Rate M10 | 2 | 0 | 2 | 360 | 0 | 360 | 0.1 | 0.0 | 0.1 |
| 15 | Total Wholesale - Utility | 3 | 3 | 6 | 16,596 | 72,529 | 89,125 | 2.6 | 0.9 | 3.5 |
| 16 | <u>Contract Sales</u> | | | | | | | | | |
| 17 | Rate 100 | 2 | 7 | 9 | 9,142 | 10,969 | 20,111 | 1.8 | 1.2 | 3.0 |
| 18 | Rate 110 | 57 | 279 | 335 | 71,936 | 910,575 | 982,511 | 9.6 | 36.4 | 46.0 |
| 19 | Rate 115 | 1 | 19 | 20 | 730 | 377,426 | 378,156 | 0.2 | 7.6 | 7.8 |
| 20 | Rate 125 | 4 | 0 | 4 | 0 | 523,436 | 523,436 | 0.0 | 11.4 | 11.4 |
| 21 | Rate 135 | 5 | 36 | 40 | 1,785 | 63,502 | 65,287 | 0.4 | 1.6 | 2.0 |
| 22 | Rate 145 | 3 | 19 | 22 | 628 | 22,937 | 23,565 | 0.3 | 1.3 | 1.6 |
| 23 | Rate 170 | 3 | 18 | 21 | 4,847 | 243,184 | 248,031 | 0.6 | 0.7 | 1.4 |
| 24 | Rate 200 | 1 | 0 | 1 | 142,758 | 52,433 | 195,190 | 24.0 | 2.4 | 26.4 |
| 25 | Rate 300 | 2 | 0 | 2 | 0 | 262 | 262 | 0.0 | 0.1 | 0.1 |
| 26 | Rate 315 | | 0 | 0 | | 0 | 0 | | 0.0 | 0.0 |
| 27 | Total EGD Rate Zone | 77 | 377 | 454 | 231,825 | 2,204,724 | 2,436,549 | 36.9 | 62.7 | 99.6 |
| 28 | Rate M4 | 35 | 201 | 236 | 56,325 | 565,055 | 621,380 | 9.9 | 28.1 | 38.0 |
| 29 | Rate M7 | 4 | 49 | 53 | 28,488 | 589,884 | 618,372 | 4.7 | 17.1 | 21.8 |
| 30 | Rate 20 Storage | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 2.5 | 2.5 |
| 31 | Rate 20 Transportation | 4 | 53 | 57 | 9,423 | 769,053 | 778,476 | 3.1 | 27.5 | 30.6 |
| 32 | Rate 100 Storage | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0.0 | 0.0 |
| 33 | Rate 100 Transportation | 0 | 12 | 12 | 0 | 996,605 | 996,605 | 0.0 | 11.3 | 11.3 |
| 34 | Rate T-1 Storage | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 1.4 | 1.4 |
| 35 | Rate T-1 Transportation | 0 | 39 | 39 | 0 | 430,312 | 430,312 | 0.0 | 12.2 | 12.2 |
| 36 | Rate T-2 Storage | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 7.2 | 7.2 |
| 37 | Rate T-2 Transportation | 0 | 25 | 25 | 0 | 4,017,975 | 4,017,975 | 0.0 | 66.9 | 66.9 |
| 38 | Rate T-3 Storage | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 1.4 | 1.4 |
| 39 | Rate T-3 Transportation | 0 | 1 | 1 | 0 | 264,209 | 264,209 | 0.0 | 5.8 | 5.8 |
| 40 | Rate M5 | 5 | 33 | 38 | 2,712 | 59,105 | 61,817 | 0.4 | 2.1 | 2.6 |
| 41 | Rate 25 | 38 | 26 | 64 | 29,990 | 62,848 | 92,838 | 5.0 | 2.8 | 7.8 |
| 42 | Rate 30 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0.0 | 0.0 |
| 43 | Total Union Rate Zones | 86 | 439 | 525 | 126,938 | 7,755,045 | 7,881,983 | 23.1 | 186.2 | 209.4 |
| 44 | Total Contract Sales | 163 | 816 | 979 | 358,763 | 9,959,769 | 10,318,532 | 60.1 | 248.9 | 309.0 |
| 45 | Subtotal | 3,646,529 | 121,318 | 3,767,846 | 12,898,142 | 13,152,718 | 26,050,861 | 3,695.6 | 563.8 | 4,259.4 |
| 46 | Accounting Adjustments: | | | | | | | | | |
| 47 | EGI Tax Variance | | | | | | | | | (13.4) |
| 48 | EGI Elimination of 2018 Tax Variance | | | | | | | | | 0.0 |
| 49 | EGI Accounting Policy Change | | | | | | | | | (14.0) |
| 50 | EGD Average Use/ Normalized Average Consumption | | | | | | | | | (4.6) |
| 51 | EGD Dawn Access Cost | | | | | | | | | 2.1 |
| 52 | EGD Incremental Capital Module | | | | | | | | | (0.3) |
| 53 | EGD Elimination of 2018 Earnings Sharing Adjustment | | | | | | | | | 0.0 |
| 54 | EGD Transactional Services Revenue | | | | | | | | | 12.0 |
| 55 | EGD LRAM | | | | | | | | | 0.0 |
| 56 | EGD Federal Carbon Program | | | | | | | | | 0.6 |
| 57 | EGD Greenhouse Gas Emissions Administration | | | | | | | | | 0.2 |
| 58 | EGD Reverse 2019 Gas Supply Plan Cost Consequences | | | | | | | | | (3.9) |
| 59 | EGD Elimination of 2019 Gas Supply Plan Cost Consequences reversal | | | | | | | | | 3.9 |
| 60 | Union Average Use/ Normalized Average Consumption | | | | | | | | | 7.2 |
| 61 | Union Parkway Obligation Rate Variance | | | | | | | | | 0.0 |
| 62 | Union Incremental Capital Module | | | | | | | | | (5.6) |
| 63 | Union Capital Pass-through | | | | | | | | | (1.1) |
| 64 | Union LRAM | | | | | | | | | 1.4 |
| 65 | Union Federal Carbon Program | | | | | | | | | 1.2 |
| 66 | Elimination of the UGL rate zone unregulated storage cost from EGD rate zone revenues | | | | | | | | | (17.7) |
| 67 | Miscellaneous | | | | | | | | | 0.7 |
| 67 | Total Utility Revenue | | | | | | | | | 4,224.3 |

EGI REVENUE FROM REGULATED STORAGE
& TRANSPORTATION OF GAS
2021 ACTUAL

| Line No. | Particulars (\$000s) | 2020 Actual | 2021 Actual |
|---|---|-------------------|-------------------|
| Revenue from Regulated Storage Services: | | | |
| 1 | C1 Off-Peak Storage | 1,002 | 433 |
| 2 | Supplemental Balancing Services | 1,016 | 640 |
| 3 | Gas Loans | 1 | 1 |
| 4 | C1 Short Term Firm Peak Storage | 2,715 | 1,536 |
| 5 | Short Term Storage and Balancing Services Deferral | 907 | 3,577 |
| 6 | Rate 325: Transmission, Compression, & Storage | 1,988 | 2,169 |
| 7 | Less: Elimination of charges between EGD and Union rate zones | (2,000) | (2,226) |
| 8 | Total Regulated Storage Revenue Net of Deferral | <u>\$ 5,630</u> | <u>\$ 6,130</u> |
| Revenue from Regulated Transportation Services: | | | |
| 9 | M12 Transportation | 206,677 | 206,637 |
| 10 | M12-X Transportation | 21,335 | 21,527 |
| 11 | C1 Long Term Transportation | 20,882 | 19,934 |
| 12 | Rate 332: Gas Transmission | 17,804 | 18,107 |
| 13 | C1 Short Term Transportation | 5,698 | 7,226 |
| 14 | Gross Exchange Revenue | 999 | 1,729 |
| 15 | Rate 331: Gas Transmission | 259 | 165 |
| 16 | M13 Local Production | 122 | 157 |
| 17 | M16 Transportation | 1,089 | 926 |
| 18 | M17 transportation | 109 | 545 |
| 19 | S&T:Transportation Carbon Facility Collection | 1,931 | 2,692 |
| 20 | Other S&T Revenue | 1,580 | 1,440 |
| 21 | Less: Elimination of charges between EGD and Union rate zones | (136,155) | (138,489) |
| 22 | Total Regulated Transportation Revenue Net of Deferral | <u>\$ 142,330</u> | <u>\$ 142,597</u> |

EGI UTILITY OTHER REVENUE AND OTHER INCOME
2021 ACTUALS

| Line No. | Particulars | Col. 1 2020 Utility Revenue (\$Millions) | Col. 2 2021 Utility Revenue (\$Millions) |
|-------------|---|--|--|
| 1. | Late Payment Penalties | 20.8 | 19.9 |
| 2. | Account Opening Charges | 9.8 | 11.1 |
| 3. | Other Billing Revenue | 3.0 | 3.2 |
| 4. | Customer Billing Revenue | 33.6 | 34.1 |
| 5. | Open Bill Revenue | 5.4 | 5.4 |
| | Distributor Consolidated Billing and Direct | | |
| 6. | Purchase Administration Charges | 2.4 | 2.3 |
| 7. | Mid Market Transactions | 1.1 | 1.2 |
| 8. | CNG Rental Revenue | 1.8 | 1.8 |
| 9. | Other Operating Revenue | 3.4 | 4.2 |
| 10. | Total Other Revenue | 47.7 | 49.1 |
| 11. | Other Income | 4.5 | 0.9 |
| 12. | Total Other Revenue and Other Income | 52.2 | 50.0 |

UTILITY O&M

1. This evidence explains the drivers in the Utility Operating and Maintenance (O&M) expense change from 2021 to 2020.
2. The Utility O&M schedule for 2021 preserves the presentation from the 2020 ESM Proceeding (EB-2021-0149) to provide transparency to all expense categories and in particular, segregating Corporate Shared Services (CSS), Demand Side Management (DSM), and Integration-related costs. The Company recognizes that this O&M presentation is useful to inform stakeholders about operating costs, and as such, has maintained the presentation to allow the driver explanations to be comparable between years.
3. Table 1 presents 2021 O&M expenses relative to the prior year. As in 2020, Enbridge Gas provided an appendix reconciling O&M results presented in the format of Table 1 compared to formats previous to 2019. Please refer to Appendix A for the reconciliation for 2021 results and presentation. Given the fact that Enbridge Gas now has three years of historical information presented in the format in Table 1, it is proposed that the reconciliation in Appendix A is no longer required or useful for the remaining deferred rebasing years of 2022 and 2023. Enbridge Gas requests approval to not provide the Appendix A reconciliation going forward after this proceeding.
4. Overall, O&M expenses decreased by \$32.3 million primarily due to the non-recurrence of the one-time severance costs for voluntary workforce departures that occurred in 2020. Sustained synergy savings also contributed to the decrease. These decreases were partially offset by increases primarily in CSS, compensation and benefits, outside services, donations and memberships, and vehicle related repairs and maintenance.

Table 1

UTILITY O&M
2021 & 2020 ACTUALS

| Line No. | Expense Categories | Col. 1 2020 Actual (\$M) | Col. 2 2021 Actual (\$M) | Col. 3 \$ change | Col. 4 % change |
|----------|---|-----------------------------------|-----------------------------------|---------------------|--------------------|
| 1 | Compensation and Benefits | 354.7 | 369.8 | 15.1 | 4.3% |
| 2 | Employee Related Services and Development | 1.5 | 1.5 | (0.0) | -2.0% |
| 3 | Materials and Supplies | 29.9 | 32.5 | 2.6 | 8.6% |
| 4 | Outside Services | 220.8 | 232.1 | 11.3 | 5.1% |
| 5 | Transportation Related Repairs and Maintenance | 6.9 | 5.7 | (1.2) | -17.8% |
| 6 | Vehicle Related Repairs and Maintenance | 14.3 | 19.8 | 5.5 | 38.1% |
| 7 | Rents and Leases | 9.9 | 11.1 | 1.2 | 11.7% |
| 8 | Telecommunications | 0.3 | 0.2 | (0.1) | -35.1% |
| 9 | Travel and Entertainment | 3.1 | 3.7 | 0.6 | 20.1% |
| 10 | Donations and Memberships | 3.2 | 11.3 | 8.1 | 258.1% |
| 11 | Admin Expenses | (1.6) | (4.1) | (2.5) | 162.1% |
| 12 | Allocations & Recoveries | (17.8) | (16.5) | 1.3 | -7.1% |
| 13 | Corporate Shared Services (CSS) | 187.8 | 218.1 | 30.3 | 16.1% |
| 14 | DSM | 132.3 | 132.1 | (0.2) | -0.1% |
| 15 | Integration-Related Costs | 125.2 | 49.8 | (75.4) | -60.2% |
| 16 | Miscellaneous Expense | 14.7 | 9.8 | (4.9) | -33.4% |
| 17 | Capitalization on Non-CSS | (119.5) | (138.2) | (18.7) | 15.7% |
| 18 | O&M Subtotal before Eliminations | 965.7 | 938.7 | (27.0) | -2.8% |
| 19 | Donations | (0.6) | (3.6) | (3.0) | 465.1% |
| 20 | CDM Program | 0.1 | 0.0 | (0.1) | -100.0% |
| 21 | ABC T-service Program | (0.2) | (0.3) | (0.1) | 76.3% |
| 22 | Other Eliminations | 0.0 | (0.1) | (0.1) | |
| 23 | Unregulated Adjustments | (16.6) | (18.5) | (1.9) | 11.5% |
| 24 | Total Unregulated/Non-Utility Eliminations | (17.3) | (22.5) | (5.2) | 30.4% |
| 25 | Total Net Utility O&M Expense | 948.5 | 916.2 | (32.3) | -3.4% |

5. With the exclusion of \$77.7 million of severance costs in 2020, the remaining integration-related costs (Line 15) increased by \$2.4 million as integration initiatives continue to be pursued across all functional areas.
6. CSS costs (Line 13) include business functions such as Legal, Finance, Human Resources and Technology Information Services (TIS) that serve business units across the Enbridge enterprise. CSS costs are primarily comprised of compensation

7. and benefits for CSS employees. Costs are charged to the individual business units based on appropriate cost allocation in relation to the services received.
8. CSS costs were \$30.3 million higher than the prior year primarily due to: higher pension and benefits; higher information technology costs driven by cybersecurity investments resulting from government mandates in response to heightened threats to energy companies, deployment and sustainment costs of new technology to support business requirements; higher insurance costs from market conditions brought about by heightened pandemic risk; and lower overhead capitalization of CSS costs (please see Table 2 for more detail).
9. Compensation and benefits (Line 1) increased \$15.1M from higher pension and benefits costs. The pension increase was the result of a higher actuarial valuation. Short-term incentive payments (STIP) were higher from stronger performance compared to 2020. Stock-based compensation (SBC) was similarly higher as a result of a higher share price.
10. Outside services (Line 4) increased \$11.3M over the prior year primarily due to an increase in integrity spending, higher locates costs due to higher contract rates, higher postage costs from lower e-bill utilization, higher contract costs for call center, back-office billing and collections support, and increases in regulatory consulting costs related to rebasing preparations as well as higher regulatory fees reflecting the volume of proceedings including Integrated Resource Planning (IRP).
11. Donations and memberships (Lines 10 and 19) increased \$5.1M (after elimination of donations not deducted for utility purposes) over the prior year due to higher sponsorships relative to 2020 when the pandemic curtailed sponsorship opportunities. Also contributing to the unfavorable variance is the transfer of Union

Gas Low-Income Energy Assistance Program (LEAP) amounts to the Donations and Memberships category in 2021 for tracking and reporting alignment with Enbridge Gas Distribution (EGD) LEAP disbursements. The increase is offset in the Admin Expenses category (Line 11).

12. Vehicle-related repair expenses (Line 6) increased \$5.5M in 2021 due to the higher maintenance and repairs needs of an aging fleet of vehicles, as well as from higher fuel prices.

1. 2021 Overhead Capitalization

13. The following section describes total overhead capitalization for both CSS (included in Line 13) and non-CSS cost categories (Line 17).

14. Overhead capitalization applies to all expense categories except integration-related costs, which are fully expensed. Total combined overhead capitalization was \$10.4M more than the prior year (Table 2).

15. Non-CSS overhead capitalization increased by \$18.7M driven by the increases in O&M expenses noted in the previous section.

16. CSS overhead capitalization decreased by \$8.3M from the prior year primarily due to lower direct labour engaged in 2021 capital activity. With the completion of the labor-intensive Customer Information System (CIS) capital Information Technology (IT) project in 2020, direct labour burdens were lower in 2021 by comparison. While CSS costs increased, the increase was primarily due to higher pension and benefits, which flow to capital through burdening of direct and indirect labour.

Table 2

Total Overhead Capitalization Impact on O&M

| | 2020 Actual (\$M) | 2021 Actual (\$M) | Variance (\$M) |
|----------------------------|-------------------------|-------------------------|-------------------|
| CSS-related Capitalization | (105.0) | (96.7) | 8.3 |
| Capitalization on Non-CSS | (119.5) | (138.2) | (18.7) |
| | (224.5) | (234.9) | (10.4) |

17. While reconciliation tables were provided in the 2020 ESM application (Appendices, EB-2021-0149) to aid in the understanding and adoption of the new schedule, as well as to provide visibility to Corporate Allocations and Recoveries as agreed to in the 2019 ESM Settlement Proposal, inbound allocations and outbound recoveries are no longer relevant for 2021 as all CSS costs are inbound to Enbridge Gas. Affiliates are similarly allocated their charges directly through Enbridge Inc. and not through Enbridge Gas. Table 3 summarizes the Total Corporate allocation, the CSS capitalization applied, and Total Net CSS. Variance explanations are as noted in previous sections.

Table 3

Corporate Allocations and CSS

| | <u>2020</u> | <u>2021</u> | <u>2020-2021</u> <u>Variance</u> |
|-----------------------------|-------------|-------------|-------------------------------------|
| Total Gross CSS | 292.8 | 314.8 | 22.0 |
| Less: Capitalization of CSS | (105.0) | (96.7) | 8.3 |
| Net CSS | 187.8 | 218.1 | 30.3 |

Appendix A

RECONCILIATION OF UTILITY O&M SCHEDULE 2020 & 2021 Results

| | Col. 1 | Col. 2 | Col. 3 | Col. 4 | Col. 5 | Col. 6 | Col. 7 | Col. 8 | Col. 9 | Col. 10 | Col. 11 |
|------|--|-----------------------|-----------|-------------|-------------|----------|-----------|-------------|---------|-----------|-----------|
| | 2020 ACTUAL | | | | 2021 ACTUAL | | | | | 2020-2021 | 2020-2021 |
| Line | | 2020 | Central | DSM & | | 2021 | Central | DSM & | | | |
| No. | Expense Categories (\$M) | As filed ¹ | Functions | Integration | 2020 | Previous | Functions | Integration | 2021 | \$ change | % change |
| | | | Costs | Costs | Revised | Format | Costs | Costs | Revised | | |
| 1 | Compensation and Benefits | 572.2 | (108.0) | (109.5) | 354.7 | 514.2 | (112.8) | (31.6) | 369.8 | 15.2 | 4.3% |
| 2 | Employee Related Services and Development | 6.5 | (4.8) | (0.2) | 1.5 | 5.1 | (3.1) | (0.5) | 1.5 | (0.0) | -2.0% |
| 3 | Materials and Supplies | 92.1 | (5.3) | (56.9) | 29.9 | 97.7 | (7.9) | (57.3) | 32.5 | 2.6 | 8.6% |
| 4 | Outside Services | 341.3 | (36.6) | (83.9) | 220.8 | 364.0 | (39.3) | (92.6) | 232.1 | 11.3 | 5.1% |
| 5 | Transportation Related Repairs and Maintenance | 9.8 | (2.9) | (0.0) | 6.9 | 9.2 | (3.5) | (0.0) | 5.7 | (1.2) | -17.8% |
| 6 | Vehicle Related Repairs and Maintenance | 14.4 | (0.0) | (0.0) | 14.3 | 19.9 | (0.0) | (0.1) | 19.8 | 5.5 | 38.1% |
| 7 | Rents and Leases | 12.4 | (2.5) | (0.0) | 9.9 | 12.5 | (1.4) | - | 11.1 | 1.2 | 11.7% |
| 8 | Telecommunications | 3.8 | (3.5) | (0.0) | 0.3 | 2.5 | (2.3) | | 0.2 | (0.1) | -35.1% |
| 9 | Travel and Entertainment | 4.3 | (0.9) | (0.4) | 3.1 | 4.1 | (0.3) | (0.1) | 3.7 | 0.6 | 20.1% |
| 10 | Donations and Memberships | 4.3 | (0.2) | (0.9) | 3.2 | 12.4 | (0.3) | (0.7) | 11.3 | 8.1 | 258.1% |
| 11 | Admin Expenses | 0.9 | 0.8 | (3.3) | (1.6) | (4.7) | (1.2) | 1.7 | (4.1) | (2.5) | 162.1% |
| 12 | Allocations & Recoveries | 113.4 | (128.8) | (2.3) | (17.8) | 126.2 | (142.1) | (0.7) | (16.5) | 1.3 | -7.1% |
| 13 | Corporate Shared Services (CSS) | | 187.8 | | 187.8 | - | 218.1 | | 218.1 | 30.3 | 16.1% |
| 14 | DSM | | | 132.3 | 132.3 | - | | 132.1 | 132.1 | (0.2) | -0.1% |
| 15 | Integration-Related Costs | | | 125.2 | 125.2 | - | | 49.8 | 49.8 | (75.4) | -60.2% |
| 16 | Miscellaneous O&M Expense | 14.7 | | | 14.7 | 9.8 | | | 9.8 | (4.9) | -33.4% |
| 17 | Capitalization on non-CSS | (224.3) | 104.9 | | (119.5) | (234.3) | 96.0 | | (138.2) | (18.7) | 15.7% |
| 18 | O&M Subtotal before Eliminations | 965.7 | (0.0) | (0.0) | 965.7 | 938.7 | (0.0) | 0.0 | 938.7 | (27.0) | -2.8% |
| 19 | Donations | (0.6) | | | (0.6) | (3.6) | | | (3.6) | (3.0) | 465.1% |
| 20 | CDM Program | 0.1 | | | 0.1 | 0.0 | | | 0.0 | (0.1) | -100.0% |
| 21 | ABC T-service Program | (0.2) | | | (0.2) | (0.3) | | | (0.3) | (0.1) | 76.3% |
| 22 | Other Eliminations | 0.0 | | | 0.0 | (0.1) | | | (0.1) | (0.1) | - |
| 23 | Unregulated Adjustments | (16.6) | | | (16.6) | (18.5) | | | (18.5) | (1.9) | 11.5% |
| 24 | Total Unregulated/Non-Utility Eliminations | (17.3) | | | (17.3) | (22.5) | | | (22.5) | (5.2) | 30.4% |
| 25 | Total Net Utility O&M Expense | 948.5 | | | 948.5 | 916.2 | | | 916.2 | (32.3) | -3.4% |

/U

UTILITY CAPITAL EXPENDITURES

1. The purpose of this evidence is to provide information on Enbridge Gas' 2021 utility capital expenditures within the EGD and Union rate zones.

Table 1
Summary of Capital Expenditures 2021 Actual
(\$millions)

| | Col 1 | Col 2 | Col 3 |
|---------------------------|--------------|--------------|----------------|
| | EGD | UG | TOTAL EGI |
| Distribution Plant | 457.9 | 465.4 | 923.2 |
| Transmission Plant | - | 128.6 | 128.6 |
| General & Other Plant | 113.0 | 74.3 | 187.3 |
| Underground Storage Plant | 59.5 | 12.2 | 71.7 |
| | 630.4 | 680.4 | 1,310.8 |

2. The dollars presented are annual capital expenditures and are comparable to the presentation in the Asset Management Plan. Capital expenditures in ICM applications are presented on an in-service basis.
3. Table 2 below shows the regulated expenditures by Asset Class for each of the legacy rate zones. Further commentary regarding the year over year changes in capital expenditures are described by Asset Class in the narrative following Table 2.

Table 2
EGD Rate Zone by Asset Class
(\$millions)

| | Asset Class | 2020 | 2021 | Variance |
|-----------------------------------|--|--------------|--------------|-----------------|
| A | Compression Stations | 9.2 | 26.8 | 17.6 |
| B | Customer Connections | 117.5 | 172.0 | 54.4 |
| C | Distribution Pipe | 58.5 | 151.0 | 92.6 |
| D | Distribution Stations | 33.7 | 43.4 | 9.8 |
| E | Fleet & Equipment | 11.3 | 15.3 | 4.0 |
| F | Growth - Distribution System Reinforcement | 8.4 | 13.4 | 5.0 |
| G | Real Estate & Workplace Services | 22.2 | 40.2 | 18.0 |
| H | Technology Information Services (TIS) | 13.8 | 12.7 | (1.1) |
| I | Transmission Pipe and Underground Storage | 12.7 | 32.7 | 20.0 |
| J | Utilization | 31.3 | 34.8 | 3.5 |
| K | EA Fixed Overhead | 15.7 | 19.5 | 3.8 |
| L | Capitalized Overheads | 131.9 | - | (131.9) |
| M | Integration Capital | 19.2 | 44.8 | 25.6 |
| N | Community Expansion | 20.2 | 13.5 | (6.7) |
| O | Other | 1.6 | 10.1 | 8.6 |
| Total Capital Expenditures | | 507.2 | 630.4 | 123.2 |

Table 2
UG Rate Zone by Asset Class
(\$millions)

| | Asset Class | 2020 | 2021 | Variance |
|---|--|-------------|-------------|-----------------|
| A | Compression Stations | 17.3 | 15.5 | (1.8) |
| B | Customer Connections | 61.1 | 88.7 | 27.6 |
| C | Distribution Pipe | 134.3 | 296.1 | 161.8 |
| D | Distribution Stations | 27.7 | 47.8 | 20.1 |
| E | Fleet & Equipment | 8.9 | 11.4 | 2.5 |
| F | Growth - Distribution System Reinforcement | 61.6 | 35.1 | (26.5) |
| G | Real Estate & Workplace Services | 16.1 | 30.3 | 14.2 |
| H | Technology Information Services (TIS) | 9.0 | 10.1 | 1.2 |
| I | Transmission Pipe and Underground Storage | 20.8 | 46.8 | 26.0 |
| J | Utilization | 31.6 | 45.9 | 14.3 |
| K | EA Fixed Overhead | 3.8 | 5.9 | 2.2 |
| L | Capitalized Overheads | 90.3 | - | (90.3) |
| M | Integration Capital | 19.3 | 42.7 | 23.4 |
| N | Community Expansion | 0.7 | 3.8 | 3.1 |
| O | Other | (2.5) | 0.3 | 2.8 |

| | | | |
|-----------------------------------|--------------|--------------|--------------|
| Total Capital Expenditures | 500.0 | 680.4 | 180.4 |
|-----------------------------------|--------------|--------------|--------------|

1. Descriptions of Asset Classes and Year over Year Variances

4. Effective January 2021, EGI is allocating capitalized overheads to projects based on the total pool of overheads and the total direct capital spend by rate zone. As a result, capitalized overheads are being reflected within the asset classes and will no longer shown as a separate asset class. This is consistent with the presentation of overheads in the Asset Management Plan and ICM applications (as of 2021).

A. Compression Stations

EGI (Union rate zone) uses compressors to move natural gas throughout the natural gas transmission system by compressing natural gas into transmission pipelines designed for high pressure and flow. Compressors are also used for both rate zones to move gas in and out of underground storage reservoirs by providing a significant pressure increase at the expense of flow.

Dehydration facilities are also included in the compression asset category. Dehydration facilities remove moisture from natural gas to ensure that the natural gas entering the transmission system meets the contractual standard of moisture content, and to avoid operational problems related to high moisture content. EGI operates one liquified natural gas (LNG) facility, the LNG facility serves to provide reserve capacity and balance operational loads during peak periods.

The EGD rate zone increased due to the pacing of large growth projects in 2021 including: Ph 1 (\$14.0M) and Ph 2 (\$2.2M) of the Corunna (SCOR) Meter Area Upgrade.

The Union rate zone had an overall decrease due to the timing of land purchases adjacent to facilities and the variability in the cost/timing of unplanned compressor failures that require capital treatment, countered by an increase in improvement projects.

The inclusion of overheads is a \$7.9M increase compared to 2020 spend.

B. Customer Connections

This asset class includes:

- The addition of new customers based on new housing or business starts;
- Customers converting to natural gas from another fuel source;
- Equipment and service upgrades to accommodate load growth of existing customers; and
- General customer growth costs include materials and installation of mains and services to attach new customers as well as the costs associated with the meter and regulator installation at the customers site.

In the EGD rate zone there was an increase in customers connected in 2021 compared to 2020. In both rate zones, the cost of labour and materials also increased due to shortages, inflation rates and unfavourable currency exchange rates.

The inclusion of overheads is a \$49.0M increase compared to 2020 spend.

C. Distribution Pipe

This asset class includes the maintenance, replacement, and renewal of pipelines and piping components (such as valves and fittings) used to transport natural gas within the distribution system or to end-use customers. It includes steel and plastic pipe, as well as services to customers.

In the EGD rate, the increase was largely driven by the timing of vintage steel investments, the significant investment for NPS 20 Lake Shore Replacement (Cherry to Bathurst) (\$20.9M), the return of the AMP fitting and other programs following curtailment in 2020 for COVID-19.

For the Union rate zone, the increase was driven by large ICM projects including the London Lines Replacement (\$73.4M) and the West Portion of the Windsor Lines (\$34.2M).

Both rate zones saw increases in integrity retrofits and digs and relocations compared to 2020. Both rate zones saw cost variances driven by the deferral of work as a result of inflation and COVID-19 impacts to materials, accessibility and resources.

The inclusion of overheads is a \$83.2M increase compared to 2020 spend.

D. Distribution Stations

These assets are typically above grade facilities designed to reduce the operating pressure of natural gas pipeline systems through pressure control and over pressure protection. These facilities are used to transmit and/or distribute natural gas to reduced operating pressure pipeline systems which supply natural gas to cities and towns.

The EGD rate zone variance is due to minor shifts in investment cost and timing.

In the Union rate zone, the overall increase was driven by an increase in the Station Rebuilds & B and C Stations program and increased Integrity Assessments to establish the condition of the station components and adjust project scopes to address the integrity findings. This was partially offset by a decrease in both CNG stations and Gate, Feeder and A Stations due to Dawn CNG (\$1.4M), Hamilton Gate 1 Rebuild (\$9.3M) and Oxford Gate Station (\$7.0M) requiring capital spend in 2020.

The inclusion of overheads is a \$17.1M increase compared to 2020 spend.

E. Fleet & Equipment

The Fleet, Equipment and Tools asset class includes the vehicles, trailers, heavy equipment and tools owned by EGI to support its business needs.

For the EGD rate zone, spend was pulled forward into 2021 for the TDW ProStopp tool (\$4.1M) which improves safety for workers during construction activities. This was countered by a decrease in vehicle purchases due to delays in supply chain.

The Union Gas rate zones did not have significant variances from 2020.

The inclusion of overheads is a \$5.0M increase compared to 2020 spend.

F. Growth – Distribution System Reinforcement

The Growth asset class includes reinforcements driven by customer and load growth.

For the EGD rate zone, there was an overall increase due to investment cost and timing.

For the Union rate zones, there was an overall decrease due to the larger Growth projects executed in 2020, including Kingsville Transmission (\$9.8M) and Owen Sound Reinforcement Ph 4 (\$56.4M). In 2021, the significant Growth projects were Byron Transmission Station (\$14.0M) and Staples Reinforcement (\$5.7M).

The inclusion of overheads is a \$9.0M increase compared to 2020 spend.

G. Real Estate and Workplace Services

The Real Estate and Workplace Services (REWS) asset class includes properties (buildings and land) and furnishings.

There is a base spend for each rate zone that supports building repairs and acquisition of furnishings. Variances are driven by the specific land purchases and building renovations that occur in a given year. Land acquisitions are driven by market availability and are aligned with the long-term strategies described in the Asset Management Plan.

In 2021, there was a significant investment in lands to execute the SMOC/Coventry Facility Consolidation (\$15.7M) and the Kennedy Road Expansion Project (\$2.6M) in the EGD rate zone. For the Union rate zone, the significant investment was the new Belleville Property Construction (\$7.5M). The significant real estate investments vary year over year due to market availability and project scope variation to meet business facility requirements.

Significant renovations at for the VPC Annex/Metershop Area Renovations (\$9.1M) in the EGD rate zone and the 50 Keil Drive Renovations (\$6.1M 2nd Floor & \$5.1M 3rd Floor) in the Union rate zone occurred in 2021.

The inclusion of overheads is a \$13.2M increase compared to 2020 spend.

H. Technology Information Services

The Technology Information Services (TIS) asset class includes:

- General Hardware (Laptops/Desktops and Desktop sustainment equipment, networks, servers and security);
- Specialized Hardware (to support specific business needs such as meter

reading equipment, call center network devices);

- Software assets consisting of packaged applications, developed applications, and application infrastructure software; and
- Communications assets including mobile phones and field devices (such as GPS devices, push-to-talk radios, leak survey field technology, and truck modems).

For the EGD rate zone, there was a decrease in the TIS infrastructure compared to 2020 due to higher spends on Desktop Replacement (\$2.9M) and the Microsoft Enterprise Agreement (\$1.8M) in 2020.

For the UG rate zone, there was no significant variance.

The inclusion of overheads is a \$4.3M increase compared to 2020 spend.

I. Transmission Pipe and Underground Storage

This asset class includes the pipelines that form the backbone of the gas transmission system as well as the underground storage reservoirs in St. Clair Township near Sarnia, Crowland Township in Welland, and in Chatham-Kent.

Increases in the EGD rate zone were primarily related to the timing of land purchases at facilities, an increase in MOP verification and remediation replacement projects, the timing of the Wilksport (LWLK) Well Debris Filter improvement project (\$2.5M) and an increase in retrofits & integrity digs for the Integrity Management Program.

In the UG rate zone, the Sarnia Expansion Growth Projects (\$10.8M Novacor Station & 21.1M NPS 20 Dow to Bluewater [LTC: EB-2019-0218]) were the

major driver to the increase. The 2021 replacement spend was lower than 2020, where the execution of the 2020 Trafalgar projects (\$12.8M) took place.

The inclusion of overheads is a \$14.8M increase compared to 2020 spend.

J. Utilization

The utilization asset class includes measurement & regulation systems at customer premises, below ground and internal piping systems after the meter, and customer-owned systems¹.

The EGD rate zone saw reductions in planned meter exchanges as a result of COVID-19 and its impact on supply chain and contractor resources.

Meter purchases in Union rate zone were higher in 2021 compared to 2020 as meters from 2020 were advanced and executed in 2019.

The inclusion of overheads is a \$15.1M increase compared to 2020 spend.

K. EA Fixed Overheads

The EA fixed overhead asset class includes cost for Alliance partner overheads and district contractor pre-work costs. The increase is due to additional planning work related to the Vintage Steel Program in the EGD rate zone and timing of payments for both EGD and Union rate zones.

¹ For customer owned systems that are downstream of the meter, the asset class is accountable for inspection at the time of initial installation and after re-introduction of gas. Maintenance and remediation of these assets are the responsibility of the customer.

L. Capitalized Overheads

As set out above, effective January 2021, EGI is allocating capitalized overheads to projects based on the total pool of overheads and the total direct capital spend by rate zone. As a result, capitalized overheads are being reflected within the asset classes and will no longer shown as a separate asset class. This is consistent with the presentation of overheads in the Asset Management Plan and ICM applications (as of 2021).

Total combined overhead capitalization increased by \$10M. The overhead increases are explained in B-3-1.

M. Integration Capital

Integration capital includes expenditures required to integrate the two legacy companies. EGI continues to evaluate projects to determine if they meet the criteria of integration capital: a one time incremental cost related to the amalgamation of the legacy utilities. Projects can be newly identified to address integration needs, or they may be driven by a need to replace an asset due to obsolescence. In either case, the project is classified as integration as it is driving a harmonized solution that adds value to the integrated utility. It is important to note that the work being addressed through some integration projects would have been required for either or both rate zones in the absence of amalgamation (because of factors such as obsolescence or growth), but the projects are nonetheless included as integration capital because the project is done for the amalgamated utility. An example of work related to integration expenditures would be the integration of the customer billing systems. These expenditures are excluded when calculating the thresholds for ICM capital.

The increase in the EGD rate zone is due to the purchase of land for the new GTA West site and the Integrated Utility Asset & Work Management project.

The increase in the UG rate zone is due to the completion of the CIS Integration project and continued work on the Cost of Gas project.

The inclusion of overheads is a \$16.4M increase compared to 2020 spend.

N. Community Expansion

Community expansion provides natural gas services to communities not currently using natural gas. In response to the Ontario Energy Board's (OEB) initiative to address the Government of Ontario's desire to expand natural gas distribution systems to communities that currently do not have access to natural gas, EGI has filed proposals with the OEB designed to facilitate enhanced access to natural gas for non-served rural, remote and First Nation communities, and businesses in Ontario.

In the EGD rate zone, the decrease in spend is primarily related to lower spend on the Fenelon Falls and Scugog Island projects due to construction completion, offset by the start of design work for the Community Expansion Phase 2 projects.

In the Union rate zone, the increase in spend is related to construction with the Northshore & Peninsula project.

5. Table 3 below shows the Asset Classes with storage spend for each rate zone and the allocation of costs between the regulated and unregulated segments of EGI's storage operations. Both the EGD and Union rate zones have OEB approved policies and methodologies for unregulated storage allocations. Allocations are

maintained at the individual asset level and updated annually to reflect additions and retirements to the assets. The allocations are applied to storage based capital projects in order to separate the regulated and unregulated costs. Regulated projects include indirect overhead allocations.

Table 3
EGD Rate Zone Storage by Asset Class 2021 Actual
(\$millions)

| | Asset Class | Regulated | Unregulated |
|-----------------------------------|---|------------------|--------------------|
| A | Compression Stations | 26.8 | 1.3 |
| B | Transmission Pipe and Underground Storage | 32.7 | 13.0 |
| Total Capital Expenditures | | 59.5 | 14.3 |

6. Compression Stations – significant regulated projects Corunna (SCOR) Meter Area Upgrade Phase 1 (\$14.0M), Corunna (SCOR) Meter Area Upgrade Phase 2 (\$2.2M), SCOR:100MODHdr Valves-Replace (\$1.4M) and SCOR:60004 iBalance-Upgrade (\$1.3M).

7. Transmission Pipe and Underground Storage – significant projects related to EGD’s regulated assets include Wilkesport MOP Remediation (\$6.2M), NPS16 LAD-WLK Interconnect MOP (\$4.1M), LLAD:, strategic land purchases at 2 locations around the underground storage facilities (\$5M), Wilksport (LWLK) Well Debris Filter (\$2.5M), NPS 16 Coveny Trans. Retrofit (\$2.3M) and NPS 16 COV Gathering Retrofit (\$2.2M). Significant unregulated projects include Pipeline and Meter Station – Upgrade (\$6.2M). This is part of the 2020/2021 Storage Enhancement project (EB-2020-0074) which will increase the maximum operating pressure of the Black Creek, Coveny and Wilkesport pools. The Storage Enhancement projects are being executed in 2 phases in order to meet the growing market demand for incremental storage space.

Table 3
UG Rate Zone Storage by Asset Class
(\$millions)

| | Asset Class | Regulated | Unregulated |
|-----------------------------------|---|------------------|--------------------|
| A | Compression Stations | 15.5 | 1.8 |
| B | Transmission Pipe and Underground Storage | 46.8 | 9.2 |
| Total Capital Expenditures | | 62.3 | 11.0 |

8. Compression Stations – significant projects related to UG’s regulated assets include strategic land purchases at 3 locations around the underground storage facilities (\$5.2M) and the Sandwich Gas Generator Overhaul (\$0.7M).
- Transmission Pipe and Underground Storage – significant projects related to UG’s regulated assets include Sarnia Expansion – Bluewater Energy Park (\$21M), Sarnia Expansion – Novacor Stn (\$10.8M), NPS 34 Trafalgar Digs (\$2.2M) and Panhandle Line Depth of Cover Mitigation (\$2M). The INTE: 156 Storage and Pool Loop: Permanent L R Facilities (\$3.4M) project has both a regulated and unregulated component due to the allocation applied to the storage pool assets. The SE 21/22 LCOR:Payne Tie-In (\$2.4M) is an unregulated project and is part of the 2nd phase of the Storage Enhancement project (EB-2021-0079) described in paragraph 7 above.

ENBRIDGE GAS
SUMMARY OF CAPITAL COST ALLOWANCE (CCA)

| Line No. | Particulars (\$000s) | Col. 1 UCC at Prior Year Filing EB-2021-0149 (a) | Col. 2 True-up from Filing to Tax Return (b) | Col. 3 UCC At Beginning of Year (c) | Col. 4 Total Additions (d) | Col. 5 Total Additions Qualifying for Accel. CCA (e) | Col. 6 Less: Lessor of Cost or Proceeds (f) | Col. 7 Eligible CCA Additions (g) | Col. 8 Depreciable UCC Balance (h) | Col. 9 Rate (%) (i) | Col. 10 CCA FY2021 (j) | Col. 11 Ending UCC (k) |
|----------|---|--|--|---|----------------------------------|--|---|---|--|------------------------------|---------------------------------|---------------------------------|
| 1. | Class | | | | | | | | | | | |
| 1. | 1 Buildings, structures and improvements, services, meters, mains | 2,298,694.5 | - | 2,298,694.5 | - | - | - | - | 2,298,694.5 | 4% | 91,947.8 | 2,206,746.7 |
| 2. | 1 Non-residential building acquired after March 19, 2007 | 118,836.9 | (386.3) | 118,450.6 | 31,673.9 | 31,047.5 | - | 46,884.5 | 165,335.0 | 6% | 9,920.1 | 140,204.4 |
| 3. | 2 Mains acquired before 1988 | 162,237.1 | (14.9) | 162,222.2 | - | - | - | - | 162,222.2 | 6% | 9,733.3 | 152,488.9 |
| 4. | 3 Buildings acquired before 1988 | 2,996.9 | - | 2,996.9 | - | - | - | - | 2,996.9 | 5% | 149.8 | 2,847.0 |
| 5. | 6 Other buildings | 80.3 | (2.0) | 78.3 | - | - | - | - | 78.3 | 10% | 7.8 | 70.5 |
| 6. | 7 Compression equipment acquired after February 22, 2005 | 490,024.8 | (9.2) | 490,015.5 | 5,851.4 | 5,789.8 | - | 8,715.5 | 498,731.0 | 15% | 74,809.7 | 421,057.3 |
| 7. | 8 Compression assets, office furniture, equipment | 191,576.3 | (190.8) | 191,385.5 | 17,583.7 | 17,583.7 | - | 26,375.5 | 217,761.0 | 20% | 43,552.2 | 165,417.0 |
| 8. | 10 Transportation, computer equipment | 28,978.1 | 42.8 | 29,020.9 | 8,412.0 | 8,412.0 | (84.2) | 12,575.9 | 41,512.6 | 30% | 12,453.8 | 24,894.9 |
| 9. | 12 Computer software, small tools | 1,521.5 | (1,521.5) | - | 60,466.4 | 57,423.4 | - | 58,944.9 | 58,944.9 | 100% | 58,944.9 | 1,521.5 |
| 10. | 13 Leasehold improvements | 673.9 | (110.1) | 563.8 | - | - | - | - | 563.8 | 0% | 212.1 | 351.7 |
| 11. | 14.1 Intangibles | 10,574.1 | (4.9) | 10,569.1 | 2,802.8 | 2,704.6 | - | 4,106.0 | 14,675.1 | 5% | 733.8 | 12,638.2 |
| 12. | 14.1 Intangibles (pre 2017) | 46,798.6 | - | 46,798.6 | - | - | - | - | 46,798.6 | 7% | 3,275.9 | 43,522.7 |
| 13. | 17 Roads, sidewalk, parking lot or storage areas | 502.6 | - | 502.6 | - | - | - | - | 502.6 | 8% | 40.2 | 462.4 |
| 14. | 38 Heavy work equipment | 10,956.3 | (28.1) | 10,928.2 | 2,587.3 | 2,587.3 | - | 3,880.9 | 14,809.1 | 30% | 4,442.7 | 9,072.7 |
| 15. | 41 Storage assets | 51,577.1 | 3,707.2 | 55,284.2 | 56,745.2 | 52,156.7 | - | 80,529.3 | 135,813.6 | 25% | 33,953.4 | 78,076.1 |
| 16. | 45 Computers - Hardware acquired after March 22, 2004 | 6.3 | - | 6.3 | - | - | - | - | 6.3 | 45% | 2.8 | 3.4 |
| 17. | 49 Transmission pipeline additions acquired after February 23, 2005 | 744,028.8 | 8,131.1 | 752,159.9 | 75,728.0 | 75,728.0 | - | 113,592.0 | 865,751.9 | 8% | 69,260.2 | 758,627.8 |
| 18. | 50 Computers hardware acquired after March 18, 2007 | 14,927.1 | 315.9 | 15,243.1 | 22,927.3 | 16,965.5 | - | 28,429.2 | 43,672.3 | 55% | 24,019.7 | 14,150.7 |
| 19. | 51 Distribution pipelines acquired after March 18, 2007 | 5,303,987.9 | (23,723.9) | 5,280,264.0 | 836,580.8 | 834,194.2 | - | 1,252,484.7 | 6,532,748.7 | 6% | 391,964.9 | 5,724,879.9 |
| 20. | Total | 9,478,979.1 | (13,794.8) | 9,465,184.3 | 1,121,359.0 | 1,104,592.6 | (84.2) | 1,636,518.3 | 11,101,618.5 | | 829,425.1 | 9,757,034.0 |

ACCOUNTS NOT BEING REQUESTED FOR CLEARANCE

1. The Company is not seeking clearance of the following accounts in this proceeding. For the following accounts, Enbridge Gas will carry the balances forward and seek clearance in appropriate future proceedings:

- Accounting Policy Changes Deferral Account - EGI
- Tax Variance Deferral Account – Integration-related Balances - EGI
- Impacts Arising from the COVID-19 Emergency Deferral Account - EGI
- Incremental Capital Module Deferral Account - EGD Rate Zone
- Incremental Capital Module Deferral Account - Union Rate Zones

2. The following accounts of Enbridge Gas have zero balances and are therefore not requested for clearance:

- IRP Capital Costs Deferral Account - EGI
- Earnings Sharing Mechanism Deferral Account - EGI
- Expansion of Natural Gas Distribution Systems Variance Account - EGI

ENBRIDGE GAS – ACCOUNTING POLICY CHANGES DEFERRAL ACCOUNT
(APCDA) (No. 179-381)

1. On August 30, 2018 the Ontario Energy Board (OEB) issued its Decision and Order for the amalgamation and rate setting mechanism (the MAADs Decision) approving the amalgamation of Enbridge Gas Distribution Inc. (EGD) and Union Gas Limited (Union) and the rate-setting framework¹. In its Decision, the OEB established a deferral account to record the impact of any accounting changes required as a result of amalgamation that affect the revenue requirement.² The OEB approved wording of the accounting order for the Accounting Policy Changes Deferral Account (APCDA) effective January 1, 2019 in its Decision and Order on Enbridge Gas' 2019 Rates application³.
2. As per the EB-2020-0134 Decision on Settlement Proposal, as part of the settlement proposal, parties agreed to defer the review, allocation and disposition of all balances in the APCDA until the end of Enbridge Gas's deferred rebasing term (2023). Parties noted that they required more information regarding the treatment of the balances and the extent of rate harmonization post-rebasing before approval of the balances and the disposition methodology can be considered⁴.
3. The Company continues to track the annual revenue requirement impact of accounting policy changes made as of the amalgamation date, January 1, 2019, as well as any further accounting policy changes adopted since that time. The cumulative balance of the APCDA as of December 31, 2021 is a receivable of \$139.028 million, driven by the revenue requirement impact of five accounting

¹ EB-2017-0306/0307, MAAD's Decision and Order dated August 30, 2018; The Decision and Order was later amended by the OEB on September 17, 2018 with no material changes.

² EB-2017-0306/0307, MAAD's Decision and Order dated August 30, 2018, page 47.

³ EB-2018-0305, 2019 Rates Final Rate Order dated October 24, 2019, Appendix I, page 7.

⁴ EB-2020-0134, Decision on Settlement Proposal dated January 25, 2021, pages 4-5.

changes arising from (and since) amalgamation, which are detailed in the table below. The table categorizes each of the accounting policy changes, provides the cumulative opening balance as of the beginning of the period, details the current period revenue requirement impact being added to the cumulative balance, and finally provides the ending cumulative balance as of the end of the current period. The details of each item within the table below are described further in the remaining evidence presented.

| | <u>Revenue Requirement</u> <u>\$millions</u> | | | | | | |
|---|---|---------------------------------|-------------------------|----------------------------|-----------------|--------------------|----------|
| | Capitalization vs Expense | Interest During Construction | Depreciation Expense | Overhead Capitalization | Subtotal | Pension Expense | Total |
| Balance at January 1, 2021 | (0.786) | 0.887 | (10.214) | (6.427) | (16.539) | 181.465 | 164.926 |
| Impact to 2021 revenue requirement: | | | | | | | |
| Expense | (3.652) | 0.076 | (4.882) | (4.735) | (13.193) | (12.033) | (25.226) |
| Cost of capital | 0.125 | 0.112 | 0.687 | 0.668 | 1.592 | - | 1.592 |
| Income tax | (0.097) | 0.274 | (1.647) | (0.794) | (2.264) | - | (2.264) |
| Total | (3.624) | 0.462 | (5.842) | (4.861) | (13.865) | (12.033) | (25.898) |
| Balance at December 31, 2021 | (4.410) | 1.349 | (16.056) | (11.288) | (30.404) | 169.432 | 139.028 |

4. Please refer to Exhibit C, Tab 1, Schedule 2 for the detailed 2021 revenue requirement calculation of the items presented above.

1. Capitalization vs Expense

5. Capitalization policies differed between EGD and Union with respect to whether the following items were capitalized or expensed as incurred:

| | <u>Union Policy</u> | <u>EGD Policy</u> | <u>EGI Policy</u> |
|--|----------------------|-------------------|----------------------|
| <ul style="list-style-type: none">• Verification of Maximum Operating Pressure Program (“MOP”);• Customer Assets Programs (Low Pressure Delivery Meter Set and Farm Tap Programs);• Distribution Integrity Technology;• Distribution Records Management Program; and, | Expensed as incurred | Capitalized | Expensed as incurred |
| <ul style="list-style-type: none">• Integrity Digs resulting from integrity inspections | Expensed as incurred | Capitalized | Capitalize |

6. Upon amalgamation, it was necessary for Enbridge Gas to align its capitalization policies where differences existed between legacy EGD and legacy Union. The policy alignment resulted in a net impact in 2021 between UGL and EGD Rate Zones of:

- Lower O&M expense of approximately \$3.638 million, offset by higher capitalization; and,
- Gross revenue requirement decrease, or sufficiency of \$3.624 million.

2. Interest During Construction

7. Interest During Construction (IDC) is a cost of constructing an asset which is included in the cost of property plant and equipment capitalized.⁵ IDC is recovered in rates through depreciation expense, along with a return on rate base over the life of

⁵ ASC 835-20-05-1.

the asset. Both Union and EGD capitalized IDC in accordance with US GAAP, however, IDC calculation was different in the legacy utilities, as seen below.

| | <u>Union Policy</u> | <u>EGD Policy</u> | <u>EGI Policy</u> |
|-----------|---|--|--|
| Threshold | IDC is only calculated on projects with capital spend of \$1 million or greater, and that have a duration of greater than 12 months | No threshold – applied to all capital projects regardless of size and duration | No Threshold – applied to all capital projects regardless of size and duration |
| Rate | OEB prescribed interest rate for CWIP | Weighted average cost of debt (WACD) | OEB prescribed interest rate for CWIP |

8. Upon amalgamation, it was necessary for Enbridge Gas to align its accounting treatment of IDC. The policy alignment resulted in the following for 2021:
- Total 2021 net gross revenue requirement increase, or deficiency of \$0.711 million.
 - A 2020 true-up to the EGD IDC WACD rate in 2021 resulted in a revenue requirement decrease, or sufficiency of \$0.249 million.

3. Depreciation Expense

9. Depreciation rates for Union and EGD are based on depreciation studies that were approved by the OEB in prior proceedings. The respective depreciation studies for each EGD and Union Rate Zones continue to be used by Enbridge Gas.
10. Upon amalgamation, it was necessary for Enbridge Gas to align the depreciation policies of legacy EGD and legacy Union Gas with respect to how depreciation on assets is calculated.

| <u>Union Policy</u> | <u>EGD Policy</u> | <u>EGI Policy</u> |
|--|--|--|
| Half year of depreciation in the first and last year of service, regardless of month the asset went into service | Begin depreciation the month after the asset goes into service, and stops the month after retirement | Begin depreciation the month after the asset goes into service, and stops the month after retirement |

11. Since many projects go into service late in the year, the EGD/Enbridge Gas policy would typically result in a lower first year depreciation expense than following the Union policy.

12. The policy alignment resulted in an impact in 2021 specific only to the UGL Rate Zone of:

- A decrease in depreciation expense of approximately \$4.882 million; and,
- A gross revenue requirement decrease, or sufficiency of \$5.842 million.

4. Overhead Capitalization

13. Following amalgamation, the Company sought to harmonize its overhead capitalization methodology and retained Ernst and Young (EY) to carry out the study. EY's assessment was informed by historical legacy approaches, the amalgamated structure, US GAAP, the OEB's Uniform System of Accounts, and Enbridge's Enterprise Capitalization Policy. Recommendations of the study were implemented in January 2020. The study grouped costs into Operations Costs, Business Costs, Support Costs, and Pension and Benefits, each with their own capitalization treatment to more directly link with causal determinants of cost.

14. Prior to this harmonization, capitalized overheads in the legacy EGD approach were determined by the application of Departmental Labour Costs (DLC) rates and Administrative & General (A&G) rates to support costs for capital work in field operations and business support operations, as well as administrative functions that

support the overall business. In legacy UG, annual updates were carried out for support groups where capitalization rates were derived from time spent on capital activity.

15. The APCDA isolates the impact of the overhead capitalization policy change. The calculation takes the annual O&M spend with the new harmonized rates and subtracts from it O&M spend using the legacy rates to determine the APCDA impact. The policy change results in a decrease in O&M and offsetting increase in capitalized overheads, with the revenue requirement impact recorded in the APCDA. The net impact in 2021 between UGL and EGD Rate Zones was:

- Lower net OM&A expenses of \$5.4 million (offset by higher capitalization of overheads); and,
- A gross revenue requirement decrease, or sufficiency of \$4.861 million

5. Pension Expense – Unamortized Actuarial Gains/Losses and Prior Service Costs

16. Prior to December 31, 2018, Union recorded actuarial gains/losses and past service costs (Actuarial Losses) in Accumulated Other Comprehensive Income (AOCI) and amortized the balance over the expected average remaining service life (EARSL) of employees in accordance with ASC 715-30-35-24. This amortization expense was part of pension cost that was recognized annually and included in the forecast that underpinned rates. As a result of the Enbridge Inc. (EI) and Spectra merger (the Merger) on February 27, 2017, EI recorded the acquisition of Union through a purchase price allocation (PPA) in accordance with ASC 805. As a result, Union's pension assets were adjusted on EI's books to fair value and the unamortized Actuarial Losses of \$250 million were reclassified from AOCI to Goodwill. These

adjustments were not required to be pushed down⁶ and were not pushed down to the Union stand alone financial statements. Therefore, this adjustment did not impact Union financial statements or accounting at the time of the merger.

17. Approximately \$39 million of Actuarial Losses were amortized between February 27, 2017 and December 31, 2018, resulting in a balance of \$211 million remaining in Union's AOCI at amalgamation (the Amalgamation) (January 1, 2019).

18. Upon amalgamation, US GAAP required the PPA recorded by Enbridge Inc. related to Union to be pushed down into the combined financial statements of Enbridge Gas.⁷ This resulted in the remaining unamortized Actuarial Losses on Union's balance sheet to be reclassified from AOCI to Goodwill.

19. Although this appears to be a balance sheet reclassification only, the adjustment would have a significant impact on Enbridge Gas if not for regulatory accounting. AOCI is amortized as an annual expense whereas Goodwill is not. As such, this treatment would result in stranding the balance in Goodwill that would never be expensed. This is an accounting change that occurred only because of the amalgamation. Otherwise, Union would have continued to amortize Actuarial Losses as pension expense, just as it had done in the past.

⁶ *Pushdown accounting* refers to establishing a new basis of accounting in the separate financial statements of the acquired entity (or acquiree) after it is acquired. The acquisition adjustments recorded by the acquirer in a business combination under ASC Topic 805 are pushed down to the acquiree's separate financial statements.

⁷ In accordance with ASC 805-50-30-5: "When accounting for a transfer of assets or exchange of shares between entities under common control, the entity that receives the net assets or the equity interests shall initially measure the recognized assets and liabilities transferred at their carrying amounts in the accounts of the transferring entity at the date of transfer. If the carrying amounts of the assets and liabilities transferred differ from the historical cost of the parent of the entities under common control, for example, because pushdown accounting had not been applied, then the financial statements of the receiving entity shall reflect the transferred assets and liabilities at the historical cost of the parent of the entities under common control."

20. The change in accounting policy has not altered the fact that Union has incurred the Actuarial Losses and should recover these costs over time, as is currently approved by the OEB. As noted previously, the balances represent the accumulation of Actuarial Losses incurred in relation to the pension assets that Enbridge Gas needs to continue to fund through cash contributions to the pension plans. Enbridge Gas's funding requirements do not change simply because the accounting treatment has changed. Therefore, continued recovery in rates through the deferred rebasing period is appropriate and is consistent with the OEB's approved approach for utilities. As noted in the *"Report of the Ontario Energy Board – Regulatory Treatment of Pension and Other Post-employment Benefits (OPEBs) Costs – EB-2015-0040,"* accrual based accounting for pensions under ASC 715 would result in a match to actual cash contributions by the end of the life of the plans.
21. Accordingly, Enbridge Gas adjusted the opening balance sheet at January 1, 2019, to record the \$211 million balance previously recognized as AOCI in the financial records of Enbridge Gas as a regulatory asset (within the APCDA), instead of Goodwill. Enbridge Gas continues to draw down the regulatory asset by amortizing this balance as part of pension expense resulting in a regulatory asset balance of \$169 million recognized in the APCDA at December 31, 2021. By continuing to follow this approach, Enbridge Gas ensures that its results during the deferred rebasing period reflect the accrual based pension expense recognized annually through amortization of the noted balance.
22. As noted in the EB-2020-0134 Interrogatory Response to LPMA⁸, the amortization of actuarial gains/losses and past service costs is a component of accrual-based pension expense. Base rates for both the EGD and Union rate zones include a

⁸ EB-2020-0134, Exhibit I.LPMA.4, page 2.

provision for accrual-based pension expenses as part of O&M. As communicated previously, commencing in 2019, the amortization of the unamortized actuarial gains/losses and past service costs through a drawdown of the pension balance in the APCDA results in the amortization continuing to form part of Enbridge Gas's overall pension expense, consistent to amortization that would have occurred prior to amalgamation.

23. Enbridge Gas proposes to continue the annual amortization and inclusion as part of the accrual based pension costs recognized as part of O&M expense (consistent with the amortization of actuarial gains/losses and past service costs incurred after the Enbridge/Spectra merger in 2017). This proposal will draw down the balance in the APCDA throughout the deferred rebasing period and will result in the recognition of annual pension expenses consistent with amounts that would have been recognized had the accounting change not been required (i.e. utility earnings are not impacted).

24. As indicated in 2019 and 2020, in a continuing effort to manage the impact to ratepayers, Enbridge Gas is continuing with this approach throughout the deferred rebasing period and will propose a methodology for disposal of the residual balance in the APCDA related to pension costs at December 31, 2023, as part of rebasing.

ENBRIDGE GAS - TAX VARIANCE DEFERRAL ACCOUNT

1. Establishment of the Enbridge Gas Inc. - Tax Variance Deferral Account was approved in the OEB's 2019 Rates (EB-2018-0305) Final Rate Order¹. The purpose of this account is to record 50% of the revenue requirement impact of any tax rate changes, versus the tax rates included in rates that affect Enbridge Gas. In accordance with the OEB's July 25, 2019 letter, *Accounting Direction Regarding Bill C-97 and Other Changes in Regulatory or Legislated Tax Rules for Capital Cost Allowance*, also accumulated in this account is 100% of the revenue requirement impact of any changes in Capital Cost Allowance (CCA) that are not reflected in base rates. This includes impacts related to Bill C-97 CCA rule changes, which became effective November 21, 2018, as well as any future CCA changes instituted by relevant regulatory or taxation bodies. Tax rate and CCA rule change impacts recorded in the account will, however, exclude tax rate and rule change impacts that are captured through other deferral account mechanisms (i.e., through the Incremental Capital Module Deferral Account and respective Capital Pass-through Project Deferral Accounts).

¹ EB-2018-0305, Final Rate Order dated October 24, 2019, Appendix I, page 10.

2. The balance in the Enbridge Gas Tax Variance Deferral Account at the end of 2021 is comprised of the following:

| | |
|--|------------------|
| a. 2020 True up to T2 Filing balance ² | \$0.468 million |
| b. 2021 Non-integration related balance ³ | \$18.694 million |
| c. 2020 Integration related balance ⁴ | \$3.736 million |
| d. 2021 Integration related balance ⁵ | \$10.463 million |
| Total Balance | \$33.361 million |

3. As noted above, the balance requested for clearance within this proceeding is a credit of \$19.163 million⁶, plus forecast interest of \$0.227 million, for a total of \$19.390 million. Of the principal balance in the account, \$0.468 million relates to a true-up of the 2020 accelerated CCA impact, while \$18.694 million relates to the 2021 accelerated CCA impact. The 2020 true-up amount reflects the impact of a variance between the 2020 qualifying additions captured in the 2020 Enbridge Gas Tax Variance Deferral Account examined in the EB-2021-0149 proceeding, and the final 2020 qualifying additions supporting EGI's 2020 tax filing. The accelerated CCA impacts of Bill C-97 were the only tax rate changes that impacted 2021.
4. As noted in the account description, the Tax Variance Deferral Account does not include the accelerated CCA impacts related to capital pass-through and incremental capital module projects, which have been reflected in the determination of variances recorded in deferral accounts associated with those respective projects.

² Seeking approval to dispose of balance in this proceeding.

³ Seeking approval to dispose of balance in this proceeding.

⁴ Balance to be carried forward through end of 2023 per direction in EB-2021-0149 Settlement Decision.

⁵ Balance to be carried forward through end of 2023 in line with decision on 2020 integration related balance.

⁶ Sum of \$0.468 million + \$18.694 million.

5. Consistent with the OEB's EB-2021-0149 Decision and Order, dated January 27, 2021, the Tax Variance Deferral Account balance also includes the balances above that relate to accelerated CCA impacts of capital additions related to amalgamation/integration capital projects. Please see Exhibit C, Tab 1, Schedule 3 for continuity schedules supporting the calculation of the 2020 and 2021 accelerated CCA impacts of capital additions related to amalgamation/integration capital projects. The associated impacts of the annual integration related capital expenditures in 2020 and 2021 can be found in Exhibit B, Tab 3, Schedule 2. As per the direction in the Decision and Order, EGI will hold these cumulative balances in the account through 2023 and propose disposition within EGI's 2024 rebasing application.

1. Income Tax - Bill C-97 (Accelerated CCA)

6. To calculate the annual income tax (or earnings) impact of accelerated CCA, Enbridge Gas has maintained a continuity of the 2018 – 2021 total annual capital additions which have qualified for accelerated CCA, and then removed the annual additions related to capital pass-through and incremental capital module. For the remaining qualifying additions, the cumulative annual CCA has been calculated utilizing the accelerated rates and compared against the cumulative annual CCA calculated at the non-accelerated rates. The annual income tax (or earnings) impact of the variance between the two methodologies was then grossed-up for taxes to determine the annual revenue requirement impact. These annual impacts, representing 100% of the revenue requirement impact, have been recorded each year in the Enbridge Gas Inc. – Tax Variance Deferral Account. Please see Exhibit C, Tab 1, Schedule 3 for continuity schedules supporting the calculation of the 2021 accelerated CCA impact.

ENBRIDGE GAS – INTEGRATED RESOURCE PLANNING OPERATING COSTS
DEFERRAL ACCOUNT

1. On July 22, 2021, the OEB released its Decision and Order (EB-2020-0091) for Enbridge Gas' Integrated Resource Planning (IRP) Proposal. In this Decision, the OEB approved the establishment of an IRP Operating Costs Deferral Account for all IRP operations, maintenance, and administrations costs, and a separate IRP Capital Costs Deferral Account for IRP project plan costs.
2. On August 12, 2021, Enbridge Gas filed its draft accounting orders for the IRP Operating Costs Deferral Account and IRP Capital Cost Deferral Account. On September 2, 2021, the OEB found that the draft accounting orders were consistent with the Decision and Order and approved the accounts as filed.
3. The purpose of the IRP Operating Costs Deferral Account, as established in the OEB's EB-2020-0091 Decision and Order, is to record incremental IRP general administrative costs, as well as incremental operating and maintenance costs and ongoing evaluation costs for approved IRP Plans. Operating costs associated with approved IRP Plans would also include all enabling payments to service providers, made as part of the IRP Plans.
4. The balance in the 2021 IRP Operating Costs Deferral Account that is being requested for clearance within this proceeding is a debit of \$0.058 million, plus forecast interest of \$0.0005 million, for a total of \$0.058 million. This amount is attributable to incremental Enbridge Gas staff salaries for IRP related work performed in 2021. The OEB in its IRP Decision approved "incremental IRP administrative costs required to meet the increased workload related to IRP"¹ ... 'be treated as expenses and recorded in this account [operating costs deferral account]."²

¹ EB-2020-0091, Decision and Order, page 71.

² EB-2020-0091, Decision and Order, page 75.

5. Since, this application is the first opportunity for Enbridge Gas to propose a rate allocation methodology for the IRP Operating Cost Deferral Account at Exhibit F, Tab 1, the account is being submitted for clearance despite the relatively modest amount incurred in 2021.

**ENBRIDGE GAS
DEFERRAL & VARIANCE ACCOUNT
ACTUAL & FORECAST BALANCES**

| | | | | Col. 1 | Col. 2 | Col. 3 | Col. 4 |
|---|---|---------------------------|------|--|-----------------------|--------------------|--------------|
| | | | | Forecast for clearance at January 1, 2023 | | | |
| Line No. | Account Description | Account Acronym | | Principal (\$000's) | Interest (\$000's) | Total (\$000's) | Reference |
| <u>EGD Rate Zone Commodity Related Accounts</u> | | | | | | | |
| 1. | Storage and Transportation D/A | 2021 S&TDA | | 7,942.5 | 97.0 | 8,039.5 | D-1, Page 2 |
| 2. | Transactional Services D/A | 2021 TSDA | | (3,904.1) | (35.4) | (3,939.6) | D-1, Page 4 |
| 3. | Unaccounted for Gas V/A | 2021 UAFVA | | 753.9 | 4.5 | 758.4 | D-1, Page 6 |
| 4. | Total commodity related accounts | | | 4,792.2 | 66.2 | 4,858.4 | |
| <u>EGD Rate Zone Non Commodity Related Accounts</u> | | | | | | | |
| 5. | Average Use True-Up V/A | 2021 AUTUVA | | 14,934.3 | 135.5 | 15,069.8 | D-1, Page 10 |
| 6. | Gas Distribution Access Rule Impact D/A | 2021 GDARIDA | | - | - | - | D-1, Page 23 |
| 7. | Deferred Rebate Account | 2021 DRA | | 4,359.4 | 53.5 | 4,412.9 | D-1, Page 12 |
| 8. | Transition Impact of Accounting Changes D/A | 2021 TIACDA | | 4,435.8 | - | 4,435.8 | D-1, Page 1 |
| 9. | Electric Program Earnings Sharing D/A | 2021 EPESDA | | - | - | - | D-1, Page 23 |
| 10. | Open Bill Revenue V/A | 2021 OBRVA | | - | - | - | D-1, Page 23 |
| 11. | Ex-Franchise Third Party Billing Services V/A | 2021 EXFTPBSVA | | - | - | - | D-1, Page 23 |
| 12. | RNG Injection Service V/A | 2021 RNGISVA | | - | - | - | D-1, Page 23 |
| 13. | OEB Cost Assessment V/A | 2021 OEBCAVA | | 2,550.3 | 31.5 | 2,581.8 | D-1, Page 13 |
| 14. | Dawn Access Costs D/A | 2021 DACDA | | 1,968.0 | 17.9 | 1,985.9 | D-1, Page 16 |
| 15. | Pension and OPEB Forecast Accrual vs. Actual Cash Payment Dif | 2021 P&OPEBFAVACPDVA | | - | - | - | D-1, Page 23 |
| 16. | Total EGD Rate Zone (for clearance) | | | 33,040.0 | 304.5 | 33,344.6 | |
| <u>Union Rate Zones Gas Supply Accounts</u> | | <u>OEB Account Number</u> | | | | | |
| 17. | Upstream Transportation Optimization | 179-131 | 2021 | 8,616.3 | 78.2 | 8,694.5 | E-1, Page 6 |
| 18. | Spot Gas Variance Account | 179-107 | 2021 | - | - | - | E-1, Page 58 |
| 19. | Unabsorbed Demand Costs Variance Account | 179-108 | 2021 | (1,665.6) | (28.3) | (1,693.9) | E-1, Page 1 |
| 20. | Base Service North T-Service TransCanada Capacity | 179-153 | 2021 | 83.5 | 0.9 | 84.4 | E-1, Page 52 |
| 21. | Total Gas Supply Accounts | | | 7,034.2 | 50.8 | 7,085.0 | |
| <u>Union Rate Zones Storage Accounts</u> | | | | | | | |
| 22. | Short-Term Storage and Other Balancing Services | 179-70 | 2021 | 3,576.9 | 32.5 | 3,609.4 | E-1, Page 8 |
| <u>Union Rate Zones Other Accounts</u> | | | | | | | |
| 23. | Normalized Average Consumption | 179-133 | 2021 | 18,997.4 | 239.4 | 19,236.8 | E-1, Page 13 |
| 24. | Deferral Clearing Variance Account | 179-132 | 2021 | (3,120.4) | (45.3) | (3,165.7) | E-1, Page 21 |
| 25. | OEB Cost Assessment Variance Account | 179-151 | 2021 | 907.1 | 11.4 | 918.5 | E-1, Page 49 |
| 26. | Unbundled Services Unauthorized Storage Overrun | 179-103 | 2021 | - | - | - | E-1, Page 58 |
| 27. | Gas Distribution Access Rule Costs | 179-112 | 2021 | - | - | - | E-1, Page 58 |
| 28. | Conservation Demand Management | 179-123 | 2021 | - | - | - | E-1, Page 58 |
| 29. | Parkway West Project Costs | 179-136 | 2021 | (603.3) | (6.4) | (609.7) | E-1, Page 25 |
| 30. | Brantford-Kirkwall/Parkway D Project Costs | 179-137 | 2021 | (45.0) | (0.4) | (45.4) | E-1, Page 29 |
| 31. | Lobo C Compressor/Hamilton-Milton Pipeline Project Costs | 179-142 | 2021 | 24.0 | 0.4 | 24.4 | E-1, Page 41 |
| 32. | Lobo D/Bright C/Dawn H Compressor Project Costs | 179-144 | 2021 | (112.1) | (3.6) | (115.7) | E-1, Page 44 |
| 33. | Burlington-Oakville Project Costs | 179-149 | 2021 | (51.0) | (0.5) | (51.5) | E-1, Page 47 |
| 34. | Panhandle Reinforcement Project Costs | 179-156 | 2021 | (3,162.0) | (35.9) | (3,197.9) | E-1, Page 53 |
| 35. | Sudbury Replacement Project | 179-162 | 2021 | - | - | - | E-1, Page 58 |
| 36. | Parkway Obligation Rate Variance | 179-138 | 2021 | - | - | - | E-1, Page 58 |
| 37. | Unauthorized Overrun Non-Compliance Account | 179-143 | 2021 | - | - | - | E-1, Page 58 |
| 38. | Pension and OPEB Forecast Accrual vs. Actual Cash Payment Dif | 179-157 | 2021 | - | (1,345.6) | (1,345.6) | E-1, Page 56 |
| 39. | Unaccounted for Gas Volume Variance Account | 179-135 | 2021 | 20,501.3 | 176.9 | 20,678.2 | E-1, Page 31 |
| 40. | Unaccounted for Gas Price Variance Account | 179-141 | 2021 | 3,358.3 | 31.8 | 3,390.1 | E-1, Page 38 |
| 41. | Total Other Accounts | | | 36,694.3 | (977.8) | 35,716.5 | |
| 42. | Total Union Rate Zones (for clearance) | | | 47,305.4 | (894.6) | 46,410.8 | |
| <u>EGI Accounts</u> | | | | | | | |
| 43. | Earnings Sharing D/A | 179-382 | 2021 | - | - | - | C-1, Page 1 |
| 44. | Tax Variance - Accelerated CCA - EGI | 179-383 | 2021 | (19,162.6) | (227.2) | (19,389.8) | C-1, Page 12 |
| 45. | IRP Operating Costs Deferral Account | 179-385 | 2021 | 57.7 | 0.5 | 58.2 | C-1, Page 15 |
| 46. | IRP Capital Costs Deferral Account | 179-386 | 2021 | - | - | - | C-1, Page 1 |
| 47. | Expansion of Natural Gas Distribution Systems V/A | 179-380 | 2021 | - | - | - | C-1, Page 1 |
| 48. | Total EGI Accounts (for clearance) | | | (19,104.9) | (226.7) | (19,331.6) | |
| 49. | Total Deferral and Variance Accounts (for clearance) | | | 61,240.5 | (816.7) | 60,423.8 | |
| <u>Not Being Requested for Clearance</u> | | | | | | | |
| 50. | Accounting Policy Changes D/A - Pension - EGI | 179-120 | 2021 | 169,431.8 | - | 169,431.8 | C-1, Page 2 |
| 51. | Accounting Policy Changes D/A - Other - EGI | 179-120 | 2019 | (1,749.5) | (52.8) | (1,802.3) | C-1, Page 2 |
| 52. | Accounting Policy Changes D/A - Other - EGI | 179-120 | 2020 | (14,789.5) | (249.4) | (15,038.9) | C-1, Page 2 |
| 53. | Accounting Policy Changes D/A - Other - EGI | 179-120 | 2021 | (13,864.6) | (168.8) | (14,033.4) | C-1, Page 2 |
| 54. | Tax Variance - Integration Capital Additions - EGI | 179-383 | 2020 | (3,736.3) | (28.6) | (3,764.8) | C-1, Page 12 |
| 55. | Tax Variance - Integration Capital Additions - EGI | 179-383 | 2021 | (10,462.6) | (80.0) | (10,542.7) | C-1, Page 12 |
| 56. | Incremental Capital Module Deferral Account - EGD | 2020 ICMDA | 2020 | (254.0) | (3.2) | (257.2) | C-1, Page 1 |
| 57. | Incremental Capital Module Deferral Account - EGD | 2021 ICMDA | 2021 | 175.5 | 2.0 | 177.5 | C-1, Page 1 |
| 58. | Incremental Capital Module Deferral Account - UGL | 179-159 | 2019 | (6,869.6) | (196.1) | (7,065.7) | C-1, Page 1 |
| 59. | Incremental Capital Module Deferral Account - UGL | 179-159 | 2020 | (5,615.4) | (91.9) | (5,707.2) | C-1, Page 1 |
| 60. | Incremental Capital Module Deferral Account - UGL | 179-159 | 2021 | (14,353.4) | (147.2) | (14,500.6) | C-1, Page 1 |
| 61. | Impacts Arising from the COVID-19 Emergency D/A - EGI | 2020 IACEDA | 2020 | 1,377.5 | 20.3 | 1,397.8 | C-1, Page 1 |
| 62. | Impacts Arising from the COVID-19 Emergency D/A - EGI | 2021 IACEDA | 2021 | 34.3 | 0.4 | 34.7 | C-1, Page 1 |
| 63. | Total of Accounts not being requested for clearance | | | 99,324.2 | (995.3) | 98,328.9 | |

ENBRIDGE GAS
SUMMARY OF ACCOUNTING POLICY CHANGES DEFERRAL ACCOUNT (NO. 179-381)
UTILITY REVENUE REQUIREMENT

| Line No. | Col. 1 | Col. 2 | Col. 3 | Col. 4 | Col. 5 | Col. 6 | Col. 7 | Col. 8 | Col. 9 | Col. 10 | Col. 11 | Col. 12 |
|---|----------------------------------|----------------------------------|--|--|------------------------------------|---------------------------------|---------------------------------------|---|---|--|-------------|---------------------------------------|
| (\$000's) | EGD - Change from Capital to O&M | UGL - Change from O&M to Capital | Capitalization Policy Alignment - Subtotal | EGD - Change from IDC rate at WACD to Board Prescribed | UGL - Elimination of IDC Threshold | IDC Policy Alignment - Subtotal | Depreciation Expense Policy Alignment | EGD - Change in Overhead Capitalization | UGL - Change in Overhead Capitalization | Overhead Capitalization Alignment - Subtotal | APCDA Total | Actuarial Gains/Losses on UGL Pension |
| Cost of capital | | | | | | | | | | | | |
| 1. Rate base | (6,664.9) | 7,367.8 | 702.9 | (253.1) | 1,745.5 | 1,492.4 | 9,416.5 | (5,043.7) | 13,439.8 | 8,396.1 | 20,007.9 | - |
| 2. Required rate of return* | 6.20% | 7.30% | | 6.20% | 7.30% | | 7.30% | 6.20% | 7.30% | | | 7.30% |
| 3. Cost of capital* | (413.2) | 537.8 | 124.6 | (15.7) | 127.4 | 111.7 | 687.4 | (312.7) | 981.1 | 668.4 | 1,592.1 | - |
| Cost of service | | | | | | | | | | | | |
| 4. Gas costs | - | - | - | - | - | - | - | - | - | - | - | - |
| 5. Operation and Maintenance | 916.2 | (4,554.6) | (3,638.4) | - | - | - | - | 4,513.3 | (9,930.1) | (5,416.8) | (9,055.2) | (12,033.4) |
| 6. Depreciation and amortization | (162.0) | 148.8 | (13.2) | (7.3) | 83.5 | 76.2 | (4,881.5) | 180.2 | 502.1 | 682.3 | (4,136.2) | - |
| 7. Municipal and other taxes | - | - | - | - | - | - | - | - | - | - | - | - |
| 8. Cost of service | 754.2 | (4,405.8) | (3,651.6) | (7.3) | 83.5 | 76.2 | (4,881.5) | 4,693.5 | (9,428.0) | (4,734.5) | (13,191.4) | (12,033.4) |
| Income taxes on earnings | | | | | | | | | | | | |
| 9. Excluding tax shield | (128.3) | 1,018.3 | 890.0 | 781.2 | (430.4) | 350.8 | - | (670.3) | 1,267.4 | 597.1 | 1,837.9 | 3,188.9 |
| 10. Tax shield provided by interest expense | 51.6 | (78.1) | (26.5) | 2.0 | (18.5) | (16.5) | (99.8) | 39.0 | (142.5) | (103.5) | (246.3) | - |
| 11. Income taxes on earnings | (76.7) | 940.2 | 863.5 | 783.2 | (448.9) | 334.3 | (99.8) | (631.3) | 1,124.9 | 493.6 | 1,591.6 | 3,188.9 |
| Taxes on (def) / suff. | | | | | | | | | | | | |
| 12. Gross (def.) / suff. | (360.0) | 3,983.7 | 3,623.7 | (1,034.3) | 323.7 | (710.6) | 5,842.0 | (5,101.4) | 9,961.9 | 4,860.5 | 13,615.6 | 12,033.4 |
| 13. Net (def.) / suff. | (264.6) | 2,928.0 | 2,663.4 | (760.2) | 237.9 | (522.3) | 4,293.9 | (3,749.5) | 7,322.0 | 3,572.5 | 10,007.5 | 8,844.5 |
| 14. Taxes on (def.) / suff. | 95.4 | (1,055.7) | (960.3) | 274.1 | (85.8) | 188.3 | (1,548.1) | 1,351.9 | (2,639.9) | (1,288.0) | (3,608.1) | (3,188.9) |
| 15. Revenue requirement | 359.7 | (3,983.5) | (3,623.8) | 1,034.3 | (323.8) | 710.5 | (5,842.0) | 5,101.4 | (9,961.9) | (4,860.5) | (13,615.8) | (12,033.4) |
| 16. Gross revenue (def.) / suff. | (359.7) | 3,983.5 | 3,623.8 | (1,034.3) | 323.8 | (710.5) | 5,842.0 | (5,101.4) | 9,961.9 | 4,860.5 | 13,615.8 | 12,033.4 |
| 2020 True-Up to EGD IDC WACD rate | | | | | | | | | | | 248.8 | |
| Total Booked to 2021 APCDA | | | | | | | | | | | 13,864.6 | |

*Union rate zones 2013 Board-approved rate of return is 7.3% and EGD rate zone 2018 Board-approved rate of return is 6.2%.

ENBRIDGE GAS
CALCULATION OF THE BILL C-97 ACCELERATED CCA IMPACT TO BE RECORDED IN THE TAX VARIANCE DEFERRAL ACCOUNT

| 2018 Year-End | | Opening UCC | Opening UCC | Total Additions | ICM & CPT | CTA | Additions | Accel. CCA | Regular CCA | Rate | Accelerated | Regular | Closing UCC | Closing UCC |
|----------------------|---|-------------|-------------|---------------------------|-----------|-----------|----------------------|-------------------------|-------------------------|------|-------------|------------|-------------|-------------|
| Line No. | Particulars (\$000s) | Accel. CCA | Regular CCA | Qualifying for Accel. CCA | Additions | Additions | Net of ICM CPT & CTA | Depreciable UCC Balance | Depreciable UCC Balance | (%) | CCA | CCA | Accel. CCA | Regular CCA |
| | | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) | (k) | (l) | (m) |
| Class | | | | | | | | | | | | | | |
| 1. | 1 Buildings, structures and improvements, services, meters, mains | - | - | - | - | - | - | - | - | 4% | - | - | - | - |
| 2. | 1 Non-residential building acquired after March 19, 2007 | - | - | 2,952.7 | 1,724.3 | - | 1,228.4 | 1,842.6 | 614.2 | 6% | 110.6 | 36.9 | 1,117.8 | 1,191.5 |
| 3. | 2 Mains acquired before 1988 | - | - | - | - | - | - | - | - | 6% | - | - | - | - |
| 4. | 3 Buildings acquired before 1988 | - | - | - | - | - | - | - | - | 5% | - | - | - | - |
| 5. | 6 Other buildings | - | - | - | - | - | - | - | - | 10% | - | - | - | - |
| 6. | 7 Compression equipment acquired after February 22, 2005 | - | - | 7,775.4 | 4,438.3 | - | 3,337.0 | 5,005.6 | 1,668.5 | 15% | 750.8 | 250.3 | 2,586.2 | 3,086.8 |
| 7. | 8 Compression assets, office furniture, equipment | - | - | 7,616.0 | 100.0 | - | 7,516.0 | 11,274.0 | 3,758.0 | 20% | 2,254.8 | 751.6 | 5,261.2 | 6,764.4 |
| 8. | 10 Transportation, computer equipment | - | - | 1,874.7 | - | - | 1,874.7 | 2,812.0 | 937.3 | 30% | 843.6 | 281.2 | 1,031.1 | 1,593.5 |
| 9. | 12 Computer software, small tools | - | - | 11,185.5 | - | - | 11,185.5 | 11,185.5 | 5,592.7 | 100% | 11,185.5 | 5,592.7 | - | 5,592.7 |
| 10. | 13 Leasehold improvements | - | - | - | - | - | - | - | - | N/A | - | - | - | - |
| 11. | 14.1 Intangibles | - | - | 82.0 | - | - | 82.0 | 122.9 | 41.0 | 5% | 6.1 | 2.0 | 75.8 | 79.9 |
| 12. | 14.1 Intangibles (pre 2017) | - | - | - | - | - | - | - | - | 7% | - | - | - | - |
| 13. | 17 Roads, sidewalk, parking lot or storage areas | - | - | - | - | - | - | - | - | 8% | - | - | - | - |
| 14. | 38 Heavy work equipment | - | - | 823.6 | - | - | 823.6 | 1,235.4 | 411.8 | 30% | 370.6 | 123.5 | 453.0 | 700.1 |
| 15. | 41 Storage assets | - | - | 379.1 | 141.0 | - | 238.1 | 357.2 | 119.1 | 25% | 89.3 | 29.8 | 148.8 | 208.4 |
| 16. | 45 Computers - Hardware acquired after March 22, 2004 | - | - | - | - | - | - | - | - | 45% | - | - | - | - |
| 17. | 49 Transmission pipeline additions acquired after February 23, 2005 | - | - | 1,870.0 | 584.3 | - | 1,285.6 | 1,928.5 | 642.8 | 8% | 154.3 | 51.4 | 1,131.4 | 1,234.2 |
| 18. | 50 Computers hardware acquired after March 18, 2007 | - | - | 2,286.8 | - | - | 2,286.8 | 3,430.1 | 1,143.4 | 55% | 1,886.6 | 628.9 | 400.2 | 1,657.9 |
| 19. | 51 Distribution pipelines acquired after March 18, 2007 | - | - | 62,357.7 | 1,078.0 | - | 61,279.7 | 91,919.5 | 30,639.8 | 6% | 5,515.2 | 1,838.4 | 55,764.5 | 59,441.3 |
| 20. | Total | \$ - | - | 99,203.4 | 8,066.0 | - | 91,137.4 | 131,113.3 | 45,568.7 | | \$ 23,167.4 | \$ 9,586.7 | 67,970.0 | 81,550.6 |

| <u>2019 Year-End</u> | | Opening | Opening | Total Additions | ICM & CPT | CTA | Additions | Accel. CCA | Regular CCA | Rate | Accelerated | Regular | Closing | Closing |
|----------------------|---|-------------|-------------|-----------------|-----------|-----------|------------|-------------|-------------|------|--------------|-------------|------------|-------------|
| Line | Particulars (\$000s) | UCC | UCC | Qualifying for | Additions | Additions | Net of ICM | Depreciable | Depreciable | (%) | CCA | CCA | UCC | UCC |
| No. | | Accel. CCA | Regular CCA | Accel. CCA | | | CPT & CTA | UCC Balance | UCC Balance | | | | Accel. CCA | Regular CCA |
| | | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) | (k) | (l) | (m) |
| Class | | | | | | | | | | | | | | |
| 1. | 1 Buildings, structures and improvements, services, meters, mains | - | - | - | - | - | - | - | - | 4% | - | - | - | - |
| 2. | 1 Non-residential building acquired after March 19, 2007 | 1,117.8 | 1,191.5 | 7,938.6 | 871.0 | - | 7,067.6 | 11,719.3 | 4,725.3 | 6% | 703.2 | 283.5 | 7,482.3 | 7,975.6 |
| 3. | 2 Mains acquired before 1988 | - | - | - | - | - | - | - | - | 6% | - | - | - | - |
| 4. | 3 Buildings acquired before 1988 | - | - | - | - | - | - | - | - | 5% | - | - | - | - |
| 5. | 6 Other buildings | - | - | - | - | - | - | - | - | 10% | - | - | - | - |
| 6. | 7 Compression equipment acquired after February 22, 2005 | 2,586.2 | 3,086.8 | 6,244.1 | 5,218.0 | - | 1,026.1 | 4,125.3 | 3,599.8 | 15% | 618.8 | 540.0 | 2,993.5 | 3,572.9 |
| 7. | 8 Compression assets, office furniture, equipment | 5,261.2 | 6,764.4 | 33,185.8 | 15,202.5 | - | 17,983.3 | 32,236.2 | 15,756.1 | 20% | 6,447.2 | 3,151.2 | 16,797.3 | 21,596.5 |
| 8. | 10 Transportation, computer equipment | 1,031.1 | 1,593.5 | 16,254.8 | - | - | 16,254.8 | 25,413.3 | 9,720.9 | 30% | 7,624.0 | 2,916.3 | 9,661.9 | 14,932.0 |
| 9. | 12 Computer software, small tools | - | 5,592.7 | 36,263.7 | - | - | 36,263.7 | 36,263.7 | 23,724.6 | 100% | 36,263.7 | 23,724.6 | - | 18,131.8 |
| 10. | 13 Leasehold improvements | - | - | - | - | - | - | - | - | N/A | - | - | - | - |
| 11. | 14.1 Intangibles | 75.8 | 79.9 | 3,595.8 | 1,836.0 | - | 1,759.8 | 2,715.5 | 959.8 | 5% | 135.8 | 48.0 | 1,699.8 | 1,791.7 |
| 12. | 14.1 Intangibles (pre 2017) | - | - | - | - | - | - | - | - | 7% | - | - | - | - |
| 13. | 17 Roads, sidewalk, parking lot or storage areas | - | - | - | - | - | - | - | - | 8% | - | - | - | - |
| 14. | 38 Heavy work equipment | 453.0 | 700.1 | 4,166.1 | - | - | 4,166.1 | 6,702.1 | 2,783.1 | 30% | 2,010.6 | 834.9 | 2,608.4 | 4,031.2 |
| 15. | 41 Storage assets | 148.8 | 208.4 | 735.5 | - | - | 735.5 | 1,252.1 | 576.1 | 25% | 313.0 | 144.0 | 571.3 | 799.8 |
| 16. | 45 Computers - Hardware acquired after March 22, 2004 | - | - | - | - | - | - | - | - | 45% | - | - | - | - |
| 17. | 49 Transmission pipeline additions acquired after February 23, 2005 | 1,131.4 | 1,234.2 | 90,992.5 | 55,507.0 | - | 35,485.5 | 54,359.6 | 18,977.0 | 8% | 4,348.8 | 1,518.2 | 32,268.1 | 35,201.6 |
| 18. | 50 Computers hardware acquired after March 18, 2007 | 400.2 | 1,657.9 | 29,431.1 | - | - | 29,431.1 | 44,546.9 | 16,373.5 | 55% | 24,500.8 | 9,005.4 | 5,330.5 | 22,083.6 |
| 19. | 51 Distribution pipelines acquired after March 18, 2007 | 55,764.5 | 59,441.3 | 499,719.3 | 988.6 | - | 498,730.7 | 803,860.5 | 308,806.6 | 6% | 48,231.6 | 18,528.4 | 506,263.5 | 539,643.6 |
| 20. | Total | \$ 67,970.0 | 81,550.6 | 728,527.3 | 79,623.1 | - | 648,904.2 | 1,023,194.5 | 406,002.8 | | \$ 131,197.5 | \$ 60,694.5 | 585,676.7 | 669,760.4 |

| <u>2020 Year-End</u> | | Opening | Opening | Total Additions | ICM & CPT | CTA | Additions | Accel. CCA | Regular CCA | Rate | Accelerated | Regular | Closing | Closing |
|----------------------|---|--------------|-------------|-----------------|-----------|-----------|------------|-------------|-------------|------|--------------|--------------|-------------|-------------|
| Line | Particulars (\$000s) | UCC | UCC | Qualifying for | Additions | Additions | Net of ICM | Depreciable | Depreciable | (%) | CCA | CCA | UCC | UCC |
| No. | | Accel. CCA | Regular CCA | Accel. CCA | | | CPT & CTA | UCC Balance | UCC Balance | | | | Accel. CCA | Regular CCA |
| | | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) | (k) | (l) | (m) |
| Class | | | | | | | | | | | | | | |
| 1. | 1 Buildings, structures and improvements, services, meters, mains | - | - | - | - | - | - | - | - | 4% | - | - | - | - |
| 2. | 1 Non-residential building acquired after March 19, 2007 | 7,482.3 | 7,975.6 | 5,806.2 | 18.0 | - | 5,788.2 | 16,164.5 | 10,869.7 | 6% | 969.9 | 652.2 | 12,300.6 | 13,111.6 |
| 3. | 2 Mains acquired before 1988 | - | - | - | - | - | - | - | - | 6% | - | - | - | - |
| 4. | 3 Buildings acquired before 1988 | - | - | - | - | - | - | - | - | 5% | - | - | - | - |
| 5. | 6 Other buildings | - | - | - | - | - | - | - | - | 10% | - | - | - | - |
| 6. | 7 Compression equipment acquired after February 22, 2005 | 2,993.5 | 3,572.9 | 3,939.1 | 109.0 | - | 3,830.1 | 8,738.6 | 5,487.9 | 15% | 1,310.8 | 823.2 | 5,512.8 | 6,579.8 |
| 7. | 8 Compression assets, office furniture, equipment | 16,797.3 | 21,596.5 | 43,271.3 | 4,233.9 | - | 39,037.4 | 75,353.4 | 41,115.2 | 20% | 15,070.7 | 8,223.0 | 40,764.0 | 52,410.9 |
| 8. | 10 Transportation, computer equipment | 9,661.9 | 14,932.0 | 5,546.8 | - | - | 5,546.8 | 17,982.1 | 17,705.4 | 30% | 5,394.6 | 5,311.6 | 9,814.1 | 15,167.2 |
| 9. | 12 Computer software, small tools | - | 18,131.8 | 11,365.0 | - | 777.1 | 10,587.9 | 10,587.9 | 23,425.8 | 100% | 10,587.9 | 23,425.8 | - | 5,293.9 |
| 10. | 13 Leasehold improvements | - | - | - | - | - | - | - | - | N/A | - | - | - | - |
| 11. | 14.1 Intangibles | 1,699.8 | 1,791.7 | 2,214.1 | 199.4 | - | 2,014.7 | 4,721.9 | 2,799.1 | 5% | 236.1 | 140.0 | 3,478.5 | 3,666.5 |
| 12. | 14.1 Intangibles (pre 2017) | - | - | - | - | - | - | - | - | 7% | - | - | - | - |
| 13. | 17 Roads, sidewalk, parking lot or storage areas | - | - | - | - | - | - | - | - | 8% | - | - | - | - |
| 14. | 38 Heavy work equipment | 2,608.4 | 4,031.2 | 11,910.1 | - | - | 11,910.1 | 20,473.6 | 9,986.3 | 30% | 6,142.1 | 2,995.9 | 8,376.4 | 12,945.4 |
| 15. | 41 Storage assets | 571.3 | 799.8 | 30,035.1 | 16.0 | - | 30,019.1 | 45,600.0 | 15,809.4 | 25% | 11,400.0 | 3,952.4 | 19,190.4 | 26,866.6 |
| 16. | 45 Computers - Hardware acquired after March 22, 2004 | - | - | - | - | - | - | - | - | 45% | - | - | - | - |
| 17. | 49 Transmission pipeline additions acquired after February 23, 2005 | 32,268.1 | 35,201.6 | 80,470.1 | 8,582.4 | - | 71,887.7 | 140,099.7 | 71,145.4 | 8% | 11,208.0 | 5,691.6 | 92,947.8 | 101,397.7 |
| 18. | 50 Computers hardware acquired after March 18, 2007 | 5,330.5 | 22,083.6 | 40,091.6 | - | 18,135.0 | 21,956.6 | 38,265.5 | 33,061.9 | 55% | 21,046.0 | 18,184.1 | 6,241.1 | 25,856.2 |
| 19. | 51 Distribution pipelines acquired after March 18, 2007 | 506,263.5 | 539,643.6 | 639,216.7 | 50,127.7 | - | 589,089.1 | 1,389,897.2 | 834,188.1 | 6% | 83,393.8 | 50,051.3 | 1,011,958.8 | 1,078,681.3 |
| 20. | Total | \$ 585,676.7 | 669,760.4 | 873,866.1 | 63,286.3 | 18,912.2 | 791,667.7 | 1,767,884.3 | 1,065,594.3 | | \$ 166,759.8 | \$ 119,451.0 | 1,210,584.6 | 1,341,977.1 |

| Line No. | Particulars (\$000s) | <u>2021 Year-End</u> | | | | | | | | | | | | |
|----------|---|---------------------------|----------------------------|---|------------------------|------------------|--------------------------------------|--|---|-------------|--------------------|----------------|------------------------------|-------------------------------|
| | | Opening UCC Accel. CCA | Opening UCC Regular CCA | Total Additions Qualifying for Accel. CCA | ICM & CPT Additions | CTA Additions | Additions Net of ICM CPT & CTA | Accel. CCA Depreciable UCC Balance | Regular CCA Depreciable UCC Balance | Rate (%) | Accelerated CCA | Regular CCA | Closing UCC Accel. CCA | Closing UCC Regular CCA |
| | | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) | (k) | (l) | (m) |
| Class | | | | | | | | | | | | | | |
| 1. | 1 Buildings, structures and improvements, services, meters, mains | - | - | - | - | - | - | - | - | 4% | - | - | - | - |
| 2. | 1 Non-residential building acquired after March 19, 2007 | 12,300.6 | 13,111.6 | 31,455.0 | - | 1,723.1 | 29,731.9 | 56,898.5 | 27,977.6 | 6% | 3,413.9 | 1,678.7 | 38,618.6 | 41,164.9 |
| 3. | 2 Mains acquired before 1988 | - | - | - | - | - | - | - | - | 6% | - | - | - | - |
| 4. | 3 Buildings acquired before 1988 | - | - | - | - | - | - | - | - | 5% | - | - | - | - |
| 5. | 6 Other buildings | - | - | - | - | - | - | - | - | 10% | - | - | - | - |
| 6. | 7 Compression equipment acquired after February 22, 2005 | 5,512.8 | 6,579.8 | 5,851.4 | - | - | 5,851.4 | 14,289.9 | 9,505.5 | 15% | 2,143.5 | 1,425.8 | 9,220.7 | 11,005.4 |
| 7. | 8 Compression assets, office furniture, equipment | 40,764.0 | 52,410.9 | 15,737.5 | 7,849.8 | 53.3 | 7,834.3 | 52,515.5 | 56,328.1 | 20% | 10,503.1 | 11,265.6 | 38,095.3 | 48,979.6 |
| 8. | 10 Transportation, computer equipment | 9,814.1 | 15,167.2 | 13,440.2 | - | - | 13,440.2 | 29,974.3 | 21,887.3 | 30% | 8,992.3 | 6,566.2 | 14,261.9 | 22,041.2 |
| 9. | 12 Computer software, small tools | - | 5,293.9 | 76,510.3 | - | 53,798.4 | 22,711.9 | 16,649.9 | 16,649.9 | 100% | 22,711.9 | 16,649.9 | - | 11,356.0 |
| 10. | 13 Leasehold improvements | - | - | - | - | - | - | - | - | N/A | - | - | - | - |
| 11. | 14.1 Intangibles | 3,478.5 | 3,666.5 | 2,802.8 | 18.9 | - | 2,784.0 | 7,654.4 | 5,058.5 | 5% | 382.7 | 252.9 | 5,879.7 | 6,197.5 |
| 12. | 14.1 Intangibles (pre 2017) | - | - | - | - | - | - | - | - | 7% | - | - | - | - |
| 13. | 17 Roads, sidewalk, parking lot or storage areas | - | - | - | - | - | - | - | - | 8% | - | - | - | - |
| 14. | 38 Heavy work equipment | 8,376.4 | 12,945.4 | 5,402.9 | - | - | 5,402.9 | 16,480.9 | 15,646.9 | 30% | 4,944.3 | 4,694.1 | 8,835.1 | 13,654.3 |
| 15. | 41 Storage assets | 19,190.4 | 26,866.6 | 54,897.2 | - | - | 54,897.2 | 101,536.3 | 54,315.2 | 25% | 25,384.1 | 13,578.8 | 48,703.6 | 68,185.0 |
| 16. | 45 Computers - Hardware acquired after March 22, 2004 | - | - | - | - | - | - | - | - | 45% | - | - | - | - |
| 17. | 49 Transmission pipeline additions acquired after February 23, 2005 | 92,947.8 | 101,397.7 | 75,856.8 | - | - | 75,856.8 | 206,733.0 | 139,326.0 | 8% | 16,538.6 | 11,146.1 | 152,266.0 | 166,108.3 |
| 18. | 50 Computers hardware acquired after March 18, 2007 | 6,241.1 | 25,856.2 | 7,950.3 | - | 14,327.6 | (6,377.3) | (3,324.8) | 22,667.5 | 55% | (1,828.6) | 12,467.1 | 1,692.5 | 7,011.7 |
| 19. | 51 Distribution pipelines acquired after March 18, 2007 | 1,011,958.8 | 1,078,681.3 | 810,728.0 | 104,174.2 | - | 706,553.7 | 2,071,789.4 | 1,431,958.2 | 6% | 124,307.4 | 85,917.5 | 1,594,205.2 | 1,699,317.6 |
| 20. | Total | \$ 1,210,584.6 | 1,341,977.1 | 1,100,632.4 | 112,042.9 | 69,902.3 | 918,687.2 | 2,577,259.4 | 1,801,320.7 | | \$ 217,493.1 | \$ 165,642.7 | 1,911,778.6 | 2,095,021.6 |

| | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> |
|---|----------------|-----------------|-----------------|-----------------|
| CCA Variance (i) - (j) | 13,580.7 | 70,503.0 | 47,308.8 | 51,850.4 |
| Tax Rate | 26.5% | 26.5% | 26.5% | 26.5% |
| Earnings Impact of Accelerated CCA | 3,598.9 | 18,683.3 | 12,536.8 | 13,740.4 |
| Earnings Impact Grossed-up for Taxes Recorded in the TVDA | <u>4,896.4</u> | <u>25,419.4</u> | <u>17,056.9</u> | <u>18,694.4</u> |
| Balances as filed in EB-2021-0149 | <u>4,896.4</u> | <u>25,133.9</u> | <u>16,588.8</u> | <u>N/A</u> |
| variance | <u>-</u> | <u>285.5</u> | <u>468.2</u> | <u>-</u> |
| Include adjustment to 2019 balance in 2020 TVDA | <u>-</u> | <u>(285.5)</u> | <u>285.5</u> | <u>-</u> |
| Include adjustment to 2020 balance in 2021 TVDA | <u>-</u> | <u>-</u> | <u>(468.2)</u> | <u>468.2</u> |
| Revised Balances | <u>4,896.4</u> | <u>25,133.9</u> | <u>16,874.2</u> | <u>19,162.6</u> |

1 - Balance for 2019 was updated based on the change from EB-2020-0134 and Tax Filing on June 30, 2020.

2 - Balance for 2020 was updated based on the change from EB-2021-0149 and Tax Filing on June 30, 2021.

| 2020 Year-End - Integration Capital Additions | | | | | | | | | | | |
|--|---|------------------------|-------------------------|---------------|------------------------------------|-------------------------------------|----------|-----------------|-------------|------------------------|-------------------------|
| Line No. | Particulars (\$000s) | Opening UCC Accel. CCA | Opening UCC Regular CCA | CTA Additions | Accel. CCA Depreciable UCC Balance | Regular CCA Depreciable UCC Balance | Rate (%) | Accelerated CCA | Regular CCA | Closing UCC Accel. CCA | Closing UCC Regular CCA |
| | | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) |
| Class | | | | | | | | | | | |
| 1. | 1 Buildings, structures and improvements, services, meters, mains | - | - | - | - | - | 4% | - | - | - | - |
| 2. | 1 Non-residential building acquired after March 19, 2007 | - | - | - | - | - | 6% | - | - | - | - |
| 3. | 2 Mains acquired before 1988 | - | - | - | - | - | 6% | - | - | - | - |
| 4. | 3 Buildings acquired before 1988 | - | - | - | - | - | 5% | - | - | - | - |
| 5. | 6 Other buildings | - | - | - | - | - | 10% | - | - | - | - |
| 6. | 7 Compression equipment acquired after February 22, 2005 | - | - | - | - | - | 15% | - | - | - | - |
| 7. | 8 Compression assets, office furniture, equipment | - | - | - | - | - | 20% | - | - | - | - |
| 8. | 10 Transportation, computer equipment | - | - | - | - | - | 30% | - | - | - | - |
| 9. | 12 Computer software, small tools | - | - | 777.1 | 777.1 | 388.6 | 100% | 777.1 | 388.6 | - | 388.6 |
| 10. | 13 Leasehold improvements | - | - | - | - | - | N/A | - | - | - | - |
| 11. | 14.1 Intangibles | - | - | - | - | - | 5% | - | - | - | - |
| 12. | 14.1 Intangibles (pre 2017) | - | - | - | - | - | 7% | - | - | - | - |
| 13. | 17 Roads, sidewalk, parking lot or storage areas | - | - | - | - | - | 8% | - | - | - | - |
| 14. | 38 Heavy work equipment | - | - | - | - | - | 30% | - | - | - | - |
| 15. | 41 Storage assets | - | - | - | - | - | 25% | - | - | - | - |
| 16. | 45 Computers - Hardware acquired after March 22, 2004 | - | - | - | - | - | 45% | - | - | - | - |
| 17. | 49 Transmission pipeline additions acquired after February 23, 2005 | - | - | - | - | - | 8% | - | - | - | - |
| 18. | 50 Computers hardware acquired after March 18, 2007 | - | - | 18,135.0 | 27,202.5 | 9,067.5 | 55% | 14,961.4 | 4,987.1 | 3,173.6 | 13,147.9 |
| 19. | 51 Distribution pipelines acquired after March 18, 2007 | - | - | - | - | - | 6% | - | - | - | - |
| 20. | Total | \$ - | \$ - | 18,912.2 | 27,979.7 | 9,456.1 | | \$ 15,738.5 | \$ 5,375.7 | 3,173.6 | 13,536.5 |

| 2021 Year-End - Integration Capital Additions | | | | | | | | | | | |
|--|---|------------------------|-------------------------|---------------|------------------------------------|-------------------------------------|----------|-----------------|-------------|------------------------|-------------------------|
| Line No. | Particulars (\$000s) | Opening UCC Accel. CCA | Opening UCC Regular CCA | CTA Additions | Accel. CCA Depreciable UCC Balance | Regular CCA Depreciable UCC Balance | Rate (%) | Accelerated CCA | Regular CCA | Closing UCC Accel. CCA | Closing UCC Regular CCA |
| | | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) |
| Class | | | | | | | | | | | |
| 1. | 1 Buildings, structures and improvements, services, meters, mains | - | - | - | - | - | 4% | - | - | - | - |
| 2. | 1 Non-residential building acquired after March 19, 2007 | - | - | 1,723.1 | 2,584.6 | 861.5 | 6% | 155.1 | 51.7 | 1,568.0 | 1,671.4 |
| 3. | 2 Mains acquired before 1988 | - | - | - | - | - | 6% | - | - | - | - |
| 4. | 3 Buildings acquired before 1988 | - | - | - | - | - | 5% | - | - | - | - |
| 5. | 6 Other buildings | - | - | - | - | - | 10% | - | - | - | - |
| 6. | 7 Compression equipment acquired after February 22, 2005 | - | - | - | - | - | 15% | - | - | - | - |
| 7. | 8 Compression assets, office furniture, equipment | - | - | 53.3 | 79.9 | 26.6 | 20% | 16.0 | 5.3 | 37.3 | 48.0 |
| 8. | 10 Transportation, computer equipment | - | - | - | - | - | 30% | - | - | - | - |
| 9. | 12 Computer software, small tools | - | 388.6 | 53,798.4 | 53,798.4 | 27,287.8 | 100% | 53,798.4 | 27,287.8 | - | 26,899.2 |
| 10. | 13 Leasehold improvements | - | - | - | - | - | N/A | - | - | - | - |
| 11. | 14.1 Intangibles | - | - | - | - | - | 5% | - | - | - | - |
| 12. | 14.1 Intangibles (pre 2017) | - | - | - | - | - | 7% | - | - | - | - |
| 13. | 17 Roads, sidewalk, parking lot or storage areas | - | - | - | - | - | 8% | - | - | - | - |
| 14. | 38 Heavy work equipment | - | - | - | - | - | 30% | - | - | - | - |
| 15. | 41 Storage assets | - | - | - | - | - | 25% | - | - | - | - |
| 16. | 45 Computers - Hardware acquired after March 22, 2004 | - | - | - | - | - | 45% | - | - | - | - |
| 17. | 49 Transmission pipeline additions acquired after February 23, 2005 | - | - | - | - | - | 8% | - | - | - | - |
| 18. | 50 Computers hardware acquired after March 18, 2007 | 3,173.6 | 13,147.9 | 14,327.6 | 24,665.0 | 20,311.7 | 55% | 13,565.7 | 11,171.4 | 3,935.5 | 16,304.0 |
| 19. | 51 Distribution pipelines acquired after March 18, 2007 | - | - | - | - | - | 6% | - | - | - | - |
| 20. | Total | \$ 3,173.6 | \$ 13,536.5 | 69,902.3 | 81,127.9 | 48,487.6 | | \$ 67,535.2 | \$ 38,516.2 | 5,540.7 | 44,922.6 |

| | 2020 | 2021 |
|--|-------------|-------------|
| CCA Variance (i) - (j) | 10,362.8 | 29,019.0 |
| Tax Rate | 26.5% | 26.5% |
| Earnings Impact of Accelerated CCA | 2,746.1 | 7,690.0 |
| Earnings Impact Grossed-up for Taxes Related to Integrated Capital Additions | 3,736.3 | 10,462.6 |

2022 TRANSITION IMPACT OF ACCOUNTING CHANGES DEFERRAL

ACCOUNT – EGD RATE ZONE

1. The purpose of the Transition Impact of Accounting Changes Deferral Account (TIACDA) is to track the un-cleared Other Post Employment Benefit (OPEB) costs which the OEB has approved for recovery. Within EB-2011-0354, the OEB approved the recovery of OPEB costs, which were forecast to be \$90 million at the end of 2012, evenly over a 20-year period, commencing in 2013. The OPEB costs needed to be recognized as a result of EGD having to account for post-employment expenses on an accrual basis, upon transition to USGAAP for corporate reporting purposes in 2012. The use of USGAAP for regulatory purposes was approved within the 2013 rate proceeding, EB-2011-0354.
2. The final amount recorded in the TIACDA as of the end of 2012 was \$88.716 million. The first nine installments (for each of 2013 through 2021) of \$4.436 million each (1/20 of \$88.716 million), were approved for recovery within the EB-2013-0046, EB-2014-0195, EB-2015-0122, EB-2016-0142, EB-2017-0102, EB-2018-0131, EB-2019-0105, EB-2020-0134, and EB-2021-0149 proceedings.
3. Enbridge Gas is now requesting recovery of the tenth, or 2022 installment of the OEB-Approved TIACDA amount, in the amount of \$4.436 million (1/20 of \$88.716 million). As per the approved description and scope of the account, interest is not applicable to the balances to be cleared from the TIACDA.

2021 STORAGE & TRANSPORTATION DEFERRAL ACCOUNT

EGD RATE ZONES

1. The purpose of the 2021 Storage & Transportation Deferral Account (S&TDA) is to record the difference between the forecast cost of Storage and Transportation included in the Company's approved rates and the actual cost of Storage and Transportation incurred by the Company. Storage and Transportation cost includes cost of service and market-based pricing.
2. The S&TDA also records the variance between the forecast Storage and Transportation demand levels and the actual Storage and Transportation demand levels. In addition, the S&TDA is used to record amounts received by the Company related to deferral account dispositions of other utilities deferral accounts.
3. The balance in the 2021 S&TDA that the Company is proposing to collect from customers is \$7.9 million plus interest. A detailed breakdown of the S&TDA is provided in Exhibit D, Tab 1, Schedule 1.
4. The primary driver for the balance in the 2021 S&TDA is higher than forecasted transportation prices and higher than forecasted market-based storage costs in 2021, partially offset by a \$1.6M refund from the Union rate zone as part of Union's 2019 deferral disposition. Transportation prices are determined by the OEB-approved M12 Rate Schedule.
5. As outlined in the 2021 Annual Update to the 5 Year Gas Supply Plan, Enbridge Gas purchases market-based storage services on behalf of customers in the EGD rate zone through a competitive blind storage RFP process. On January 4, 2021, Enbridge Gas initiated an RFP for market-based storage capacity with deliveries to Dawn. The RFP was conducted by Guidehouse Inc. The RFP requested offers of storage services with terms of up to 5 years commencing April 1, 2021 with firm

injections from May to September and firm withdrawals from December to March. The RFP letter is provided as Exhibit D, Tab 1, Schedule 5.

6. Enbridge Gas required this annual replacement of third-party storage in order to reliably and cost effectively meet demand on peak winter days as well as retain late season deliverability. The RFP responses were received by Enbridge Gas on January 25, 2021 with conforming offers from three different counterparties with multiple terms, prices and injection/withdrawal parameters. The RFP manager made the recommendation and Enbridge Gas transacted based on the recommendation. Bids received and those that were selected are outlined in Confidential Exhibit D, Tab 1, Schedule 6.

2021 TRANSACTIONAL SERVICES DEFERRAL ACCOUNT
EGD RATE ZONE

1. The concept of Transactional Services operates under the premise that if circumstances arise where the assets acquired by Enbridge Gas to meet customer demand are not fully required then those assets can be made available to generate third party revenue. Transactional Services are the optimization of these assets.
2. Transactional Services optimization can be grouped into two different categories – storage optimization and transportation optimization. Storage optimization transactions typically rely on the storage of or the loan of gas between two points in time at the same location (i.e. Dawn). Transportation optimization transactions typically rely on the exchange of gas on the day between two locations.
3. Any revenues received from Transactional Services are to be shared 90:10 between the ratepayer and the Company. The EGD rate zone rates include an upfront benefit of \$12.0 million in Transactional Services revenue that has been applied to reduce the overall costs to be collected from EGD rate zone ratepayers. The purpose of the TSDA is to capture the difference between the total ratepayer share of transactional services revenue and the amount already included in rates.
4. During 2021 the Company generated a total of \$17.5 million in net Transactional Services revenue, of which the ratepayer portion represents \$15.8 million, through a combination of Storage and Transportation Optimization. Exhibit D, Tab 1, Schedule 2 provides a breakdown of Transactional Services revenue by type of transaction, and sets out the details of the amount, \$3.8 million proposed to be credited to-customers through the disposition of the 2021 TSDA. For comparison purposes the schedule also includes amounts recorded in the applicable TSDA accounts for years 2020, 2019, 2018, and 2017.

5. The transactions that Enbridge Gas entered into in 2021 contained the three elements of Transactional Services as were described in the Company's evidence in EB-2013-0046 in that they were unplanned, the result of a Third-Party service request and were available because of temporary surplus capacity.

2021 UNACCOUNTED-FOR GAS VARIANCE ACCOUNT

EGD RATE ZONE

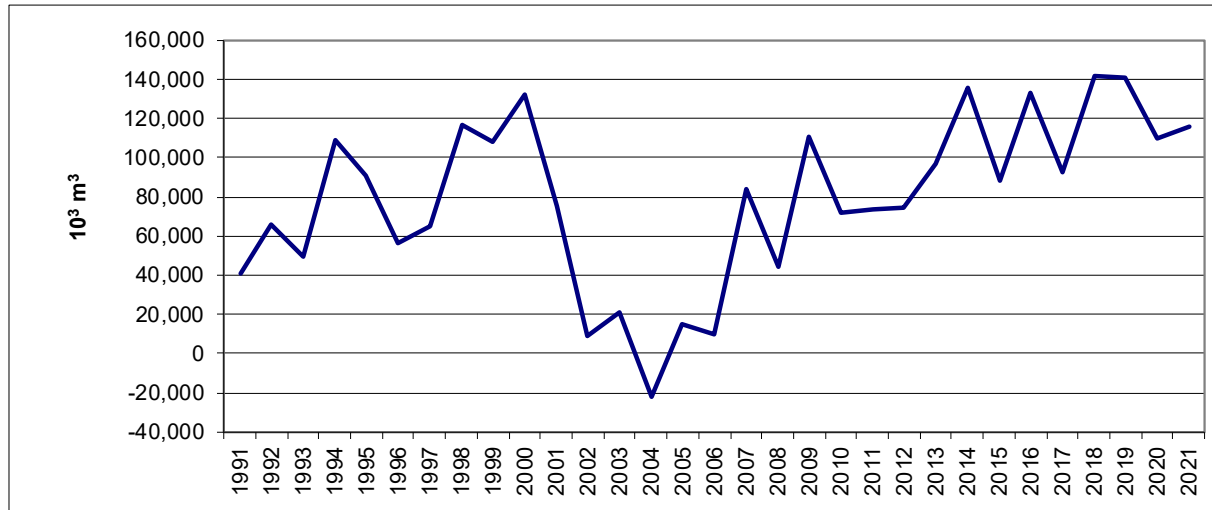
1. This evidence provides the volumetric variance underpinning the balance in the 2021 Unaccounted-For Gas Variance Account (UAFVA). It will describe the 2021 variance relative to historical Unaccounted-For Gas (UAF) volumes for the EGD rate zone.
2. UAF is the difference between natural gas delivered into the distribution system as billed by third-party transmission entities (namely, TC Energy and Union Gas¹), and natural gas consumed by the customers in the EGD rate zone and EGD own use gas and line pack gas. Owing to its residual nature, UAF cannot be measured directly. UAF can arise from meter differences, operational or external factors such as line leakage, unmetered uses, and third party damages. In addition, because gas volumes are affected by temperature and pressure, measurement is made more difficult.
3. The 2021 level of UAF for the EGD rate zone was determined to be 115,553 10³m³. The variance of 8,876 10³m³, which is the difference between actual UAF volume and the forecast UAF volume of 106,677 10³m³, underpins the \$0.7 million balance that is captured in the UAFVA. Exhibit D, Tab 1, Schedule 3 provides the detail calculations of the UAFVA balance.
4. The 2019 UAF study was filed as part of the 2020 rate application (EB-2019-0194). The report found that the primary sources for UAF include physical losses, retail meter variation and gate station meter variations. The report noted that

¹ As of January 1, 2019, Union Gas Limited and Enbridge Gas Distribution merged to become Enbridge Gas Inc.

Enbridge Gas' UAF levels are generally lower than competitive gas utilities over the past 10 years. The year-to-year fluctuations are a result of many factors including weather, estimation variation, measurement variation, and billing and accounting adjustments. The practices and initiatives to monitor and manage sources of UAF are generally consistent with those of other gas utilities. As part of the Decision and Order for the 2020 rate application (EB-2019-0194), EGI agreed to provide a "progress report" about the implementation of the UFG report recommendations in its 2022 rates application. A UFG Progress Report was filed as part of EB-2021-0148. The OEB noted that issues related to UFG were out of scope in the 2022 rate application, noting Enbridge Gas's commitment "to assess its UFG forecasting methodology in the 2024 rebasing proceeding and to include information about the implementation of the UFG Report recommendations and other activities to address UFG, and the impacts of such activities."

5. As shown in Tables 1 and 2 in the following pages, UAF within the EGD rate zone has been quite volatile over the years, showing some stability from 2010-2012, and followed by higher levels especially in 2014, 2016, 2018 and 2019. The 2021 UAF level falls within the 95% confidence interval, bounded by (9,125) 10^3m^3 and 167,748 10^3m^3 .

Table 1: Unaccounted-For Gas Volumes (10^3 m^3), 1991-2021



| Table 2 | |
|--|---|
| Col.1 | Col.2 |
| Calendar Year | UAF Volumes (10 ³ m ³) |
| 1991 | 40,662 |
| 1992 | 66,028 |
| 1993 | 49,782 |
| 1994 | 108,765 |
| 1995 | 90,655 |
| 1996 | 56,739 |
| 1997 | 65,228 |
| 1998 | 116,376 |
| 1999 | 108,201 |
| 2000 | 132,021 |
| 2001 | 75,606 |
| 2002 | 9,284 |
| 2003 | 21,412 |
| 2004 | -22,406 |
| 2005 | 14,815 |
| 2006 | 10,274 |
| 2007 | 83,823 |
| 2008 | 44,424 |
| 2009 | 110,917 |
| 2010 | 72,104 |
| 2011 | 73,355 |
| 2012 | 74,762 |
| 2013 | 97,361 |
| 2014 | 135,380 |
| 2015 | 88,438 |
| 2016 | 133,112 |
| 2017 | 93,077 |
| 2018 | 142,086 |
| 2019 | 140,594 |
| 2020 | 110,234 |
| 2021 | 115,553 |
| | 1991-2021 |
| Standard deviation | 43,098 |
| Mean | 79,312 |
| Lower bound* | -9,125 |
| Upper bound* | 167,748 |
| *95% confidence interval with 27 degrees of freedom (number of observations-1) | |

2021 ACTUAL AVERAGE USE TRUE-UP VARIANCE ACCOUNT
EGD RATE ZONE

1. The purpose of this evidence is to provide information in support of the 2021 Average Use True-up Variance Account (AUTUVA) balance.
2. Exhibit D, Tab 1, Schedule 4 details the calculations of the \$14.93 million that will be collected from ratepayers. The collection is attributable to actual Rate 1 (residential) and Rate 6 (apartment, small commercial and industrial) average uses being lower than 2021 forecast levels.
3. Lower weather-normalized average uses are primarily attributable to higher actual natural gas prices and worse economic conditions than were forecast for 2021. Higher gas prices and lower employment growth have led to lower consumption for both Rate 1 and Rate 6 customers. Rate 6 customers and their consumption patterns are heavily impacted by the economic conditions under the COVID-19 pandemic. Lower GDP growth and higher (doubled) commercial vacancy rates in 2021 than were expected have been other factors which also contributed to lower average use for Rate 6 customers.
4. The purpose of the AUTUVA is to record (true-up) the revenue impact (exclusive of gas costs) of the normalized volumetric difference between the forecast of average use per customers in Rate 1 and Rate 6 and the actual weather-normalized average use experienced during the year. The revenue impact is calculated using a unit rate determined in the same manner as the impact used in the derivation of the Lost Revenue Adjustment Mechanism (LRAM).

5. As detailed in Exhibit D, Tab 1, Schedule 4, the calculation of the volumetric variance between forecast average use and actual normalized average use subtracts the volumetric impact of Demand Side Management (DSM) programs in the year. As has been the case in previous applications, since the audited actual volume savings of 2021 DSM activities will not be available until a later date, the 2021 OEB-Approved Budget DSM volumes are used as an estimate of 2021 actuals. Without the exclusion of a DSM volumetric variance in the AUTUVA calculation, the impacts of DSM are inherently included. As a result, 2021 LRAM amounts which will be filed at a later date, will exclude the impact of Rate 1 and Rate 6 customers.

2021 DEFERRED REBATE ACCOUNT

EGD RATE ZONE

1. The purpose of the 2021 Deferred Rebate Account (DRA), consistent with prior fiscal years, was to record any amounts payable to, or receivable from, EGD rate zone customers as a result of clearing Deferral and Variance Accounts, which remain outstanding due to the inability to locate such customers.
2. During 2021, the Company cleared 2017 and 2018 DSM related deferral accounts, approved as part of the EB-2020-0067 proceeding, over the April through June 2021 period. In addition, 2019 DSM related deferral accounts approved as part of the EB-2021-0072 proceeding, as well as the 2019 deferral accounts approved as part of the EB-2020-0134 proceeding, were cleared in October 2021.
3. The \$4.4 million recorded in the 2021 DRA and requested for clearance (and corresponding interest of \$53.5 thousand), reflects the outstanding amount resulting from the clearance of deferral and variance accounts in the EGD rate zone which occurred during 2021 and the inability to locate all the intended customers.

2021 ONTARIO ENERGY BOARD COST ASSESSMENT VARIANCE ACCOUNT
EGD RATE ZONE

1. The purpose of the 2021 Ontario Energy Board Cost Assessment Variance Account (OEBCAVA) was to record any material variances between the OEB costs assessed to Enbridge Gas (relevant to the EGD rate zone) through application of the revised Cost Assessment Model (CAM), which became effective April 1, 2016, and the OEB costs which were included in EGD rate zone rates, which were determined through application of the prior Cost Assessment Model. The scope of the account is consistent with prior OEBCAVAs. However, in accordance with the EB-2020-0134 OEB-approved Settlement Proposal¹, in EGI's 2019 Earnings Sharing and Deferral Disposition proceeding, the base OEB costs assumed to be included in rates have been escalated to reflect the growth in the amount recovered through rates, which results from annual price cap adjustments and customer growth. The OEBCAVA was originally approved for establishment by an OEB letter dated February 9, 2016, entitled: *Revisions to the Ontario Energy Board Cost Assessment Model*.
2. The amount recorded within the 2021 OEBCAVA is \$2.550 million, plus interest of \$0.032 million for a total debit balance of \$2.582 million. This amount reflects the variance between OEB costs assessed to Enbridge Gas (relevant to EGD rate zone) in each quarter of fiscal 2021, utilizing the revised CAM, and EGD's average quarterly OEB cost assessment under the prior CAM, escalated in accordance with the EB-2020-0134 OEB-approved Settlement Proposal.
3. In order to calculate the amount to be recovered through the 2021 EGD rate zone OEBCAVA, the Company first needed to apportion the actual 2021 OEB assessed costs between the legacy rate zones. Commencing with the OEB's 2019 / 2020

¹ EB-2020-0134, Decision on Settlement Proposal, January 25, 2021, pages 5-6.

fiscal first quarter assessment (for the period April 1, 2019 through June 30, 2019), and continuing since, EGI has been receiving one consolidated quarterly bill for the amalgamated utility. To apportion the quarterly assessments received in 2021 between rate zones, the assessments were prorated based on the total invoices received by each legacy utility for the OEB's 2018 / 2019 fiscal year (for the period April 1, 2018 through March 31, 2019), the final year for which the OEB issued invoices to each legacy utility. Table 1 below shows the proration of the OEB's 2018 / 2019 fiscal year assessments between each legacy utility / rate zone (59.76% EGD rate zone, 40.24% Union rate zones). Table 2 shows the apportionment of EGI's 2021 assessed costs to the EGD rate zone, and the calculation of the amount recorded in the 2021 EGD rate zone OEBCAVA.

4. To calculate the amount for recovery through the 2021 EGD rate zone OEBCAVA, the Company also needed to establish the base comparator, reflecting the OEB costs included in EGD rate zone rates, determined through application of the prior Cost Assessment Model. In accordance with the EB-2020-0134 OEB-approved Settlement Proposal, the amount reflected in rates is to be increased, or escalated, to reflect the growth in the amount recovered as a result of annual price cap adjustments and customer growth. To establish the 2021 base comparator, the Company escalated the 2020 quarterly comparator of \$0.773 million by the sum of the 2021 Price Cap Index (PCI) of 1.70%, and the EGD rate zone ICM threshold calculation Growth Factor (g) of 1.73%, which were approved as part of EGI's 2021 Rate Application (EB-2020-0181). The escalation resulted in a 2021 quarterly comparator of \$0.799 million ($\$0.773 \text{ million} \times (1 + (1.70\% + 1.73\%))$). As noted above, Table 2 below shows the apportionment of EGI's actual 2021 assessed costs to the EGD rate zone, and the calculation of the amount recorded in the 2021 EGD rate zone OEBCAVA utilizing a base comparator of \$0.799 million.

5. Within this proceeding, the Company is requesting clearance of the principal and interest balances recorded in the 2021 OEBCAVA, in the amount of \$2.550 million and \$0.032 million respectively, as shown in Exhibit C, Tab 1, Schedule 1.

Table 1

OEB 2018/2019 Cost Assessments

| | <u>EGD</u> | <u>UGL</u> | <u>Total</u> |
|-------------------------|---------------------|---------------------|---------------------|
| Apr. 1 to Jun. 30, 2018 | 1,467,963.00 | 988,479.00 | 2,456,442.00 |
| Jul. 1 to Sep. 30, 2018 | 1,356,860.00 | 913,873.00 | 2,270,733.00 |
| Oct. 1 to Dec. 31, 2018 | 1,356,860.00 | 913,873.00 | 2,270,733.00 |
| Jan. 1 to Mar. 31, 2019 | 1,356,860.00 | 913,873.00 | 2,270,733.00 |
| | <u>5,538,543.00</u> | <u>3,730,098.00</u> | <u>9,268,641.00</u> |
| Percentage of Total | 59.76% | 40.24% | 100.00% |

Table 2

Calculation of 2021 EGD RZ OEBCAVA

| <u>Period</u> | <u>EGI Assessment</u> | <u>EGD Rate Zone Share (59.76%)</u> | <u>Average cost assessment Comparator</u> | <u>Variance to UGL Rate Zone OEBCAVA</u> |
|-------------------------|-----------------------|-------------------------------------|---|--|
| Jan. 1 to Mar. 31, 2021 | 2,497,219.00 | 1,492,231.15 | 799,494.06 | 692,737.09 |
| Apr. 1 to Jun. 30, 2021 | 2,364,191.00 | 1,412,739.31 | 799,494.06 | 613,245.25 |
| Jul. 1 to Sep. 30, 2021 | 2,379,076.00 | 1,421,633.95 | 799,494.06 | 622,139.89 |
| Oct. 1 to Dec. 31, 2021 | 2,379,076.00 | 1,421,633.95 | 799,494.06 | 622,139.89 |
| | | | | <u>2,550,262.12</u> |

2021 DAWN ACCESS COSTS DEFERRAL ACCOUNT
EGD RATE ZONE

1. The purpose of the Dawn Access Costs Deferral Account (DACDA), as established in the EB-2014-0323 Settlement Agreement, was to record for recovery the revenue requirement impact of the incremental costs incurred to implement the Dawn Transportation Service (DTS), including the costs for required system changes. In addition, in accordance with Legacy EGD's 2017 Rate Application Settlement Proposal (EB-2016-0215) the revenue requirement related to additional costs incurred to accommodate the heat value conversion modification, implemented in conjunction with the Dawn Transportation Service system development process, were also to be recorded within this account. Under the terms of the EB-2014-0323 Settlement Agreement, recovery of amounts recorded in the DACDA will be from all bundled customers, regardless of whether they are system or direct purchase and regardless of the service to which they currently subscribe, because all have the option of taking DTS if they so choose. Further details explaining the DACDA, including the recovery method, are included within Section 2.7 of the Settlement Agreement filed at Exhibit B, Tab 2, Schedule 1 of the EB-2014-0323 proceeding.
2. As was indicated in the EB-2018-0131, EB-2019-0105, EB-2020-0134, and EB-2021-0149 proceedings (in support of the clearance of the 2017 through 2020 revenue requirement amounts recorded in the 2017 through 2020 DACDAs), all incremental costs incurred by the Company to implement the DTS (and functionality for 2 additional receipt points) and heat value conversion modification were capital in nature. Capital costs of \$6.5 million were incurred to develop, test, and integrate enhancements to the functionality of Enbridge's EnTRAC and connected systems. The systems modifications were placed into service effective November 1, 2017, in conjunction with the implementation of Phase 2 of the Dawn

Access Settlement. The annual revenue requirement amounts sought for refund/recovery in association with those capital costs, includes the typical items in a cost of service revenue requirement, such as total return on rate base, including interest and return on equity, depreciation, and income taxes.

3. Within this proceeding, the Company is requesting clearance of the 2021 revenue requirement, or principal balance, of \$1.968 million (and corresponding interest of \$0.0179 million) as part of the requested one-time rate rider adjustment in January 2023, as shown in the proposed clearance balances at Exhibit C, Tab 1, Schedule 1. As indicated above, this amount represents the 2021 revenue requirement associated with the capital spending incurred to accommodate the DTS and heat value changes, which were placed into service in 2017. The Company has used the 2021 actual required capital structure within the 2021 revenue requirement calculation (consistent with the use of the actual capital structures which were utilized in determining previous revenue requirements which were approved for clearance). There will also be revenue requirement amounts to be recorded in relation to this spending in 2022, at which point the costs will be fully depreciated. The 2021 amount was slightly lower than 2020, due to a declining rate base value and lower required rate of return resulting in a lower cost of capital, but was higher than 2017 and 2018 as both years' revenue requirements benefited from a significant Capital Cost Allowance (CCA) tax deduction that does not repeat in subsequent years beyond 2018.
4. The revenue requirement sought for recovery will be allocated to the various rate classes based on the bundled annual deliveries of each rate class.
5. The determination of the 2021 DACDA revenue requirement deferral account amount and related costs are shown below. The approved 2017, 2018, 2019 & 2020 revenue requirement amounts are also shown for continuity.

Page Break

UTILITY CAPITAL STRUCTURE
2021 DACDA IMPACTS

| | Col. 1 | Col. 2 | Col. 3 | Col. 1 | Col. 2 | Col. 3 | Col. 1 | Col. 2 | Col. 3 | Col. 1 | Col. 2 | Col. 3 | Col. 1 | Col. 2 | Col. 3 |
|--------------------------------------|--------------------------------------|---------------------|------------------|--------------------------------------|---------------------|------------------|--------------------------------------|---------------------|------------------|--------------------------------------|---------------------|------------------|--------------------------------------|---------------------|------------------|
| Line No. | <u>2017 Actual Capital Structure</u> | | | <u>2018 Actual Capital Structure</u> | | | <u>2019 Actual Capital Structure</u> | | | <u>2020 Actual Capital Structure</u> | | | <u>2021 Actual Capital Structure</u> | | |
| | Component | Indicated Cost Rate | Return Component | Component | Indicated Cost Rate | Return Component | Component | Indicated Cost Rate | Return Component | Component | Indicated Cost Rate | Return Component | Component | Indicated Cost Rate | Return Component |
| | % | % | % | % | % | % | % | % | % | % | % | % | % | % | % |
| 1. Long-term debt | 56.88 | 4.86 | 2.76 | 57.05 | 4.72 | 2.69 | 61.13 | 4.44 | 2.71 | 63.07 | 4.38 | 2.76 | 60.03 | 4.35 | 2.61 |
| 2. Short-term debt | <u>5.57</u> | 1.05 | <u>0.06</u> | <u>5.65</u> | 1.81 | <u>0.10</u> | <u>2.87</u> | 2.04 | <u>0.06</u> | <u>0.93</u> | 0.60 | <u>0.01</u> | <u>3.97</u> | 0.31 | <u>0.01</u> |
| 3. | 62.45 | | 2.82 | 62.70 | | 2.80 | 64.00 | | 2.77 | 64.00 | | 2.77 | 64.00 | | 2.62 |
| 4. Preference shares | 1.55 | 2.32 | 0.04 | 1.30 | 2.98 | 0.04 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5. Common equity | <u>36.00</u> | 8.78 | <u>3.16</u> | <u>36.00</u> | 9.00 | <u>3.24</u> | <u>36.00</u> | 8.98 | <u>3.23</u> | <u>36.00</u> | 8.52 | <u>3.07</u> | <u>36.00</u> | 8.34 | <u>3.00</u> |
| 6. | <u>100.00</u> | | <u>6.02</u> | <u>100.00</u> | | <u>6.07</u> | <u>100.00</u> | | <u>6.01</u> | <u>100.00</u> | | <u>5.84</u> | <u>100.00</u> | | <u>5.63</u> |
| (\$ 000's) | | | | | | | | | | | | | | | |
| | 2017 | | | 2018 | | | 2019 | | | 2020 | | | 2021 | | |
| 7. Ontario Utility Income | | | 685.0 | | | (521.2) | | | (1,324.9) | | | (1,349.0) | | | (1,359.7) |
| 8. Rate base | | | 259.7 | | | 5,623.8 | | | 4,283.2 | | | 2,912.8 | | | 1,542.4 |
| 9. Indicated rate of return | | | 263.77 % | | | (9.27)% | | | (30.93)% | | | (46.31)% | | | (88.15)% |
| 10. (Def.) / suff. in rate of return | | | 257.75 % | | | (15.34)% | | | (36.94)% | | | (52.15)% | | | (93.78)% |
| 11. Net (def.) / suff. | | | 669.4 | | | (862.7) | | | (1,582.2) | | | (1,519.0) | | | (1,446.5) |
| 12. Gross (def.) / suff. | | | <u>910.7</u> | | | <u>(1,173.7)</u> | | | <u>(2,152.7)</u> | | | <u>(2,066.7)</u> | | | <u>(1,968.0)</u> |

Page Break

UTILITY RATE BASE
2021 DACDA IMPACTS

| (\$ 000's) | | | | | | |
|---------------------------------------|--|--------------|----------------|------------------|------------------|------------------|
| Line No. | | 2017 | 2018 | 2019 | 2020 | 2021 |
| Property, plant, and equipment | | | | | | |
| 1. | Cost or redetermined value | 264.4 | 6,421.6 | 6,453.2 | 6,453.2 | 6,453.2 |
| 2. | Accumulated depreciation | <u>(4.7)</u> | <u>(797.8)</u> | <u>(2,170.0)</u> | <u>(3,540.4)</u> | <u>(4,910.8)</u> |
| 3. | | <u>259.7</u> | <u>5,623.8</u> | <u>4,283.2</u> | <u>2,912.8</u> | <u>1,542.4</u> |
| Allowance for working capital | | | | | | |
| 4. | Accounts receivable merchandise finance plan | - | - | - | - | - |
| 5. | Accounts receivable rebillable projects | - | - | - | - | - |
| 6. | Materials and supplies | - | - | - | - | - |
| 7. | Mortgages receivable | - | - | - | - | - |
| 8. | Customer security deposits | - | - | - | - | - |
| 9. | Prepaid expenses | - | - | - | - | - |
| 10. | Gas in storage | - | - | - | - | - |
| 11. | Working cash allowance | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| 12. | | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| 13. | Ontario utility rate base | <u>259.7</u> | <u>5,623.8</u> | <u>4,283.2</u> | <u>2,912.8</u> | <u>1,542.4</u> |

UTILITY INCOME
2021 DACDA IMPACTS

| (\$ 000's) | | | | | |
|--------------------------------------|----------------|----------------|------------------|------------------|------------------|
| Line No. | 2017 | 2018 | 2019 | 2020 | 2021 |
| Revenue | | | | | |
| 1. Gas sales | - | - | - | - | - |
| 2. Transportation of gas | - | - | - | - | - |
| 3. Transmission and compression | - | - | - | - | - |
| 4. Other operating revenue | - | - | - | - | - |
| 5. Other income | - | - | - | - | - |
| 6. Total revenue | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Costs and expenses | | | | | |
| 7. Gas costs | - | - | - | - | - |
| 8. Operation and Maintenance | - | - | - | - | - |
| 9. Depreciation and amortization | 112.3 | 1,372.4 | 1,370.4 | 1,370.4 | 1,370.4 |
| 10. Municipal and other taxes | - | - | - | - | - |
| 11. Total costs and expenses | <u>112.3</u> | <u>1,372.4</u> | <u>1,370.4</u> | <u>1,370.4</u> | <u>1,370.4</u> |
| 12. Utility income before inc. taxes | (112.3) | (1,372.4) | (1,370.4) | (1,370.4) | (1,370.4) |
| Income taxes | | | | | |
| 13. Excluding interest shield | (795.4) | (809.5) | (14.1) | - | - |
| 14. Tax shield on interest expense | <u>(1.9)</u> | <u>(41.7)</u> | <u>(31.4)</u> | <u>(21.4)</u> | <u>(10.7)</u> |
| 15. Total income taxes | <u>(797.3)</u> | <u>(851.2)</u> | <u>(45.5)</u> | <u>(21.4)</u> | <u>(10.7)</u> |
| 16. Ontario utility net income | <u>685.0</u> | <u>(521.2)</u> | <u>(1,324.9)</u> | <u>(1,349.0)</u> | <u>(1,359.7)</u> |

UTILITY TAXABLE INCOME AND INCOME TAX EXPENSE
2021 DACDA IMPACTS

| (\$ 000's) | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|
| Line No. | 2017 | 2018 | 2019 | 2020 | 2021 |
| 1. Utility income before income taxes | (112.3) | (1,372.4) | (1,370.4) | (1,370.4) | (1,370.4) |
| Add Backs | | | | | |
| 2. Depreciation and amortization | 112.3 | 1,372.4 | 1,370.4 | 1,370.4 | 1,370.4 |
| 3. Large corporation tax | - | - | - | - | - |
| 4. Other non-deductible items | - | - | - | - | - |
| 5. Any other add back(s) | - | - | - | - | - |
| 6. Total added back | <u>112.3</u> | <u>1,372.4</u> | <u>1,370.4</u> | <u>1,370.4</u> | <u>1,370.4</u> |
| 7. Sub total - pre-tax income plus add backs | - | - | - | - | - |
| Deductions | | | | | |
| 8. Capital cost allowance - Federal | 3,001.6 | 3,054.9 | 53.2 | - | - |
| 9. Capital cost allowance - Provincial | 3,001.6 | 3,054.9 | 53.2 | - | - |
| 10. Items capitalized for regulatory purposes | - | - | - | - | - |
| 11. Deduction for "grossed up" Part V1.1 tax | - | - | - | - | - |
| 12. Amortization of share and debt issue expense | - | - | - | - | - |
| 13. Amortization of cumulative eligible capital | - | - | - | - | - |
| 14. Amortization of C.D.E. & C.O.G.P.E. | - | - | - | - | - |
| 15. Any other deduction(s) | - | - | - | - | - |
| 16. Total Deductions - Federal | <u>3,001.6</u> | <u>3,054.9</u> | <u>53.2</u> | <u>-</u> | <u>-</u> |
| 17. Total Deductions - Provincial | <u>3,001.6</u> | <u>3,054.9</u> | <u>53.2</u> | <u>-</u> | <u>-</u> |
| 18. Taxable income - Federal | (3,001.6) | (3,054.9) | (53.2) | - | - |
| 19. Taxable income - Provincial | (3,001.6) | (3,054.9) | (53.2) | - | - |
| 20. Income tax provision - Federal | (450.2) | (458.2) | (8.0) | - | - |
| 21. Income tax provision - Provincial | <u>(345.2)</u> | <u>(351.3)</u> | <u>(6.1)</u> | <u>-</u> | <u>-</u> |
| 22. Income tax provision - combined | (795.4) | (809.5) | (14.1) | - | - |
| 23. Part V1.1 tax | - | - | - | - | - |
| 24. Investment tax credit | - | - | - | - | - |
| 25. Total taxes excluding tax shield on interest expense | <u>(795.4)</u> | <u>(809.5)</u> | <u>(14.1)</u> | <u>-</u> | <u>-</u> |
| Tax shield on interest expense | | | | | |
| 26. Rate base as adjusted | 259.7 | 5,623.8 | 4,283.2 | 2,912.8 | 1,542.4 |
| 27. Return component of debt | 2.82% | 2.80% | 2.77% | 2.77% | 2.62% |
| 28. Interest expense | 7.3 | 157.5 | 118.6 | 80.7 | 40.4 |
| 29. Combined tax rate | <u>26.500%</u> | <u>26.500%</u> | <u>26.500%</u> | <u>26.500%</u> | <u>26.500%</u> |
| 30. Income tax credit | (1.9) | (41.7) | (31.4) | (21.4) | (10.7) |
| 31. Total income taxes | <u>(797.3)</u> | <u>(851.2)</u> | <u>(45.5)</u> | <u>(21.4)</u> | <u>(10.7)</u> |

UTILITY REVENUE REQUIREMENT
2021 DACDA IMPACTS

| (\$ 000's) | | | | | |
|---|--------------|------------------|------------------|------------------|------------------|
| Line No. | 2017 | 2018 | 2019 | 2020 | 2021 |
| Cost of capital | | | | | |
| 1. Rate base | 259.7 | 5,623.8 | 4,283.2 | 2,912.8 | 1,542.4 |
| 2. Required rate of return | <u>6.02%</u> | <u>6.07%</u> | <u>6.01%</u> | <u>5.84%</u> | <u>5.63%</u> |
| 3. Cost of capital | 15.6 | 341.4 | 257.4 | 170.1 | 86.8 |
| Cost of service | | | | | |
| 4. Gas costs | - | - | - | - | - |
| 5. Operation and Maintenance | - | - | - | - | - |
| 6. Depreciation and amortization | 112.3 | 1,372.4 | 1,370.4 | 1,370.4 | 1,370.4 |
| 7. Municipal and other taxes | - | - | - | - | - |
| 8. Cost of service | <u>112.3</u> | <u>1,372.4</u> | <u>1,370.4</u> | <u>1,370.4</u> | <u>1,370.4</u> |
| Misc. & Non-Op. Rev | | | | | |
| 9. Other operating revenue | - | - | - | - | - |
| 10. Other income | - | - | - | - | - |
| 11. Misc. & Non-operating Rev. | - | - | - | - | - |
| Income taxes on earnings | | | | | |
| 12. Excluding tax shield | (795.4) | (809.5) | (14.1) | - | - |
| 13. Tax shield provided by interest expense | <u>(1.9)</u> | <u>(41.7)</u> | <u>(31.4)</u> | <u>(21.4)</u> | <u>(10.7)</u> |
| 14. Income taxes on earnings | (797.3) | (851.2) | (45.5) | (21.4) | (10.7) |
| Taxes on (def.) / suff. | | | | | |
| 15. Gross (def.) / suff. | 910.7 | (1,173.7) | (2,152.7) | (2,066.7) | (1,968.0) |
| 16. Net (def.) / suff. | <u>669.4</u> | <u>(862.7)</u> | <u>(1,582.2)</u> | <u>(1,519.0)</u> | <u>(1,446.5)</u> |
| 17. Taxes on (def.) / suff. | (241.3) | 311.0 | 570.5 | 547.7 | 521.5 |
| 18. Revenue requirement | (910.7) | 1,173.6 | 2,152.8 | 2,066.8 | 1,968.0 |
| Revenue at existing Rates | | | | | |
| 19. Gas sales | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 20. Transportation service | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 21. Transmission, compression and storage | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 22. Rounding adjustment | <u>0.0</u> | <u>(0.1)</u> | <u>0.1</u> | <u>0.0</u> | <u>0.0</u> |
| 23. Revenue at existing rates | 0.0 | (0.1) | 0.1 | 0.0 | 0.0 |
| 24. Gross revenue (def.) / suff. | <u>910.7</u> | <u>(1,173.7)</u> | <u>(2,152.7)</u> | <u>(2,066.8)</u> | <u>(1,968.0)</u> |

ACCOUNTS WITH A ZERO BALANCE

EGD RATE ZONE

1. The following 2021 accounts for the EGD Rate Zone have no balance, and are therefore not requested for clearance to customers:
 - Gas Distribution Access Rule Impact (GDARIDA) Deferral Account
 - Electric Program Earnings Sharing (EPESDA) Deferral Account
 - Pension and OPEB Forecast Accrual vs. Actual Cash Payment Differential Variance Account
 - Open Bill Revenue (OBRVA) Variance Account
 - Ex-Franchise Third Party Billing Services (EXTPBSDA) Deferral Account
 - RNG Injection Service (RNGISVA) Variance Account
2. Consistent with past annual deferral and variance account clearance proceedings, Enbridge Gas has not listed accounts that will be reviewed through other processes in Exhibit C, Tab 1, Schedule 1, and these accounts are not addressed in this proceeding. Examples include the PGVA, DSM related accounts and Federal Carbon Charge accounts.

BREAKDOWN OF THE 2021 STORAGE AND TRANSPORTATION DEFERRAL ACCOUNT ("2021 S&TDA") - EGD RATE ZONE

| | Col. 1 | Col. 2 | Col. 3 | Col. 4 | Col. 5 | Col. 6 | Col. 7 |
|----------|---|---------------------------------------|--|---------------------------------------|-------------------------------------|--|--|
| Line No. | Contracted Union Capacity | Budgeted Daily Contract Demand Volume | Monthly Demand Toll Assumed in 2018 Budget | Forecasted Annual Cost ⁽²⁾ | Actual Daily Contract Demand Volume | Monthly Demand Toll Effective January 1, 2021 to December 31, 2021 | Balance in the 2021 S&TDA ⁽⁴⁾ |
| | (GJ) | (\$/GJ) | (\$Millions) | (GJ) | (\$/GJ) | Annual Cost ⁽³⁾ (\$Millions) | (\$Millions) |
| 1. | Union Gas Dawn to Lisgar | 67,929 | 2.865 | 2.3 | 67,929 | 3.110 | 2.5 |
| 2. | Union Gas Dawn to Parkway | 2,792,173 | 3.402 | 114.0 | 2,792,173 | 3.665 | 122.8 |
| 3. | Union Gas Dawn to Parkway - M12X | 200,000 | 4.239 | 10.2 | 200,000 | 4.530 | 10.9 |
| 4. | Union Gas F24 T | 85,000 | 0.069 | 0.1 | 85,000 | 0.073 | 0.1 |
| 5. | Union Transmission Costs | | | 126.6 | | | (9.7) |
| 6. | Dawn T Service Costs | | | (11.2) | | | 3.4 |
| 7. | Federal Carbon Costs | | | - | | | (0.9) |
| 8. | Union & Third Party Market Based Storage | | | 20.1 | | | (2.3) |
| 9. | 2019 Deferral Disposition - UG ⁽¹⁾ | | | - | | | 1.6 |
| 10. | Total | | | 135.5 | | 143.5 | (7.9) |

Notes

(1) Transportation deferral adjustments related to 2019 S&TDA reduced actual costs by \$1.6M

M12 Transport (\$1.6M), C1 Transport \$0.003M, M16 Transport (\$0.01M)

(2) Col. 1 * Col. 2 * 12

(3) Col. 4 * Col. 5 * 12

(4) Col. 3 - Col. 6

TRANSACTIONAL SERVICES REVENUE BY TYPE OF TRANSACTION ("TSDA") - EGD RATE ZONE

| Line No. | Particulars | Col. 2 | Col. 3 | Col. 4 | Col. 5 | Col. 6 |
|-------------|--------------------------------|--|--|--|--|--|
| | | 2017 Transactional Services Revenue | 2018 Transactional Services Revenue | 2019 Transactional Services Revenue | 2020 Transactional Services Revenue | 2021 Transactional Services Revenue |
| | | (\$000's) | (\$000's) | (\$000's) | (\$000's) | (\$000's) |
| 1. | Storage Optimization | 1,550.1 | 423.9 | 60.7 | 0.0 | 0.0 |
| 2. | Transportation Optimization | 10,393.3 | 14,292.4 | 13,084.5 | 17,643.4 | 17,509.0 |
| 3. | Transactional Services Revenue | 11,943.5 | 14,716.2 | 13,145.2 | 17,643.4 | 17,509.0 |
| 4. | Amount Included in Rates | 12,000.0 | 12,000.0 | 12,000.0 | 12,000.0 | 12,000.0 |
| 5. | Less Ratepayer Portion of TS | 10,749.1 | 13,244.6 | 11,830.7 | 15,879.1 | 15,758.1 |
| 6. | TSDA sub-total | 1,250.9 | (1,244.6) | 169.3 | (3,879.1) | (3,758.1) |
| 7. | ETT Revenue - Rider H | 44.5 | 60.1 | 35.1 | 5.8 | 146.1 |
| 8. | TSDA Total | 1,206.4 | (1,304.7) | 134.3 | (3,884.9) | (3,904.1) |

BREAKDOWN OF THE 2021 UNACCOUNTED-FOR GAS VARIANCE ACCOUNT ("2021 UAFVA") - EGD RATE ZONE

| Line No. | Particulars | Col . 1 | Col . 2 | Col . 3 | Col . 4 | Col . 5 | Col . 6 | Col . 7 | Col . 8 | Col . 9 | Col . 10 | Col . 11 | Col . 12 | Col . 13 |
|----------|--|-------------|-------------|-------------|-------------|-------------|-----------|-----------|-----------|-----------|-----------|-------------|-------------|--------------|
| | | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total |
| 1. | Budget UAF (10 ³ m ³) | 17,032.9 | 18,951.5 | 16,299.1 | 11,722.9 | 6,619.6 | 3,359.7 | 2,496.5 | 2,411.9 | 2,463.2 | 3,884.2 | 8,289.1 | 13,146.5 | 106,677.0 |
| 2. | PGVA Reference Price | 161.8 | 161.8 | 161.8 | 166.2 | 166.2 | 166.2 | 160.4 | 160.4 | 160.4 | 199.0 | 199.0 | 199.0 | |
| 3. | Budget UAF Dollar | 2,755,962.4 | 3,066,391.9 | 2,637,234.0 | 1,948,246.2 | 1,100,126.1 | 558,351.4 | 400,326.0 | 386,770.1 | 394,998.5 | 772,853.2 | 1,649,323.9 | 2,615,829.4 | 18,286,413.2 |
| 4. | Actual UAF (10 ³ m ³) | 16,278.8 | 17,595.3 | 14,023.7 | 9,948.2 | 7,948.8 | 4,076.4 | 3,400.6 | 3,549.0 | 3,538.1 | 3,692.1 | 8,429.5 | 11,809.8 | 104,290.4 |
| 5. | UAF Annual Variance (10 ³ m ³) ⁽¹⁾ | 1,758.0 | 1,900.2 | 1,514.5 | 1,074.3 | 858.4 | 440.2 | 367.2 | 383.3 | 382.1 | 398.7 | 910.3 | 1,275.4 | 11,262.8 |
| 6. | Total Actual UAF (10 ³ m ³) ⁽²⁾ | 18,036.9 | 19,495.5 | 15,538.1 | 11,022.5 | 8,807.3 | 4,516.6 | 3,767.8 | 3,932.2 | 3,920.2 | 4,090.8 | 9,339.9 | 13,085.2 | 115,553.2 |
| 7. | PGVA Rate | 161.8 | 161.8 | 161.8 | 166.2 | 166.2 | 166.2 | 160.4 | 160.4 | 160.4 | 199.0 | 199.0 | 199.0 | |
| 8. | Actual UAF Dollar ⁽³⁾ | 2,918,401.4 | 3,154,418.6 | 2,514,103.6 | 1,831,852.2 | 1,463,696.7 | 750,628.0 | 604,199.2 | 630,563.0 | 628,642.4 | 813,972.6 | 1,858,413.3 | 2,603,645.1 | 19,772,536.2 |
| 9. | UAFVA Volume Variance ⁽⁴⁾ | 162,439.0 | 88,026.7 | (123,130.4) | (116,394.0) | 363,570.7 | 192,276.6 | 203,873.1 | 243,792.9 | 233,643.9 | 41,119.4 | 209,089.4 | (12,184.3) | 1,486,123.1 |
| 10. | Line Pack Gas (LPG) Allocation | | | | | | | | | | | | | (406,981.7) |
| 11. | 2021 Damage Adjustment | | | | | | | | | | | | | (207,750.3) |
| 12. | 2020 Company Use True-up | | | | | | | | | | | | | (117,507.2) |
| 13. | Total 2021 UAFVA ⁽⁵⁾ | | | | | | | | | | | | | 753,883.9 |

Notes

(1) UAF Annual Variance Allocation

| | | | | | | | | | | | |
|----------|----------|----------|----------|--------|--------|--------|--------|--------|--------|--------|----------|
| 16% | 17% | 13% | 10% | 8% | 4% | 3% | 3% | 3% | 4% | 8% | 11% |
| 1,758.03 | 1,900.20 | 1,514.48 | 1,074.35 | 858.43 | 440.23 | 367.24 | 383.27 | 382.10 | 398.73 | 910.35 | 1,275.40 |

(2) Line 4 + Line 5

(3) Line 6 * Line 7

(4) Line 8 - Line 3

(5) Line 9 + Line 10 + Line 11 + Line 12

2021 AVERAGE USE TRUE UP VARIANCE ACCOUNT - EGD RATE ZONE

| | Col. 1 | Col. 2 | Col. 3 | Col. 4 | Col. 5 | Col. 6 | Col. 7 | Col. 8 | Col. 9 | Col. 10 | Col. 11 |
|------------|-------------------|------------------------------|-------------------------------|------------------------|------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|--|----------------------|--|
| Rate Class | Budget Annual Use | Normalized Actual Annual Use | Normalized Usage Variance (1) | Budget Customer Meters | Normalized Volumetric Variance (2) | DSM Budget | DSM Actual | DSM Volumetric Variance (3) | Normalized Volumetric Variance Excluding DSM (4) | Unit Rate | AUTUVA: Revenue Impact, Exclusive of Gas Costs (5) |
| | (m ³) | (m ³) | (m ³) | | (10 ⁶ m ³) | (10 ⁶ m ³) | (10 ⁶ m ³) | (10 ⁶ m ³) | (10 ⁶ m ³) | (\$/m ³) | (\$Millions) |
| 1 | 2,452 | 2,404 | (48) | 2,088,486 | (99.4) | (4.8) | (4.8) | 0.0 | (99.4) | 0.0712 | (7.07) |
| 6 | 28,889 | 27,794 | (1,094) | 170,204 | (186.3) | (10.8) | (10.8) | 0.0 | (186.3) | 0.0422 | (7.86) |
| Total | | | | | | | | | | | (14.93) |

Notes

- (1) Col. 2 - Col. 1
- (2) Col. 3 * Col. 4
- (3) Col. 7 - Col. 6
- (4) Col. 5 - Col. 8
- (5) Col. 9 * Col. 10

January 4, 2021

Subject: Storage at Dawn, injections commencing April 1, 2021

Enbridge Gas Inc. operating as Enbridge Gas Distribution (Enbridge Gas) requires firm natural gas storage services with injections commencing April 1, 2021.

This storage service request is being administered by Guidehouse (formerly Navigant Consulting) on behalf of Enbridge Gas.

All questions and responses are to be directed to paul.moran@navigant.com. Due to the recent acquisition of Navigant Consulting by Guidehouse, we will continue to use the Navigant.com domain for purposes of this RFP. Do not contact Enbridge Gas directly regarding this process.

Enbridge Gas is seeking a diverse portfolio of storage services that both meet and exceed the minimum requirements below. This includes those that allow higher deliverability and access to multiple nomination windows for each gas day.

Enbridge Gas requires that these storage services meet the following specifications:

Term: Up to five (5) years commencing April 1, 2021. To encourage storage contracts term diversity, Enbridge Gas is seeking service offerings of various term lengths. The amount placed will be at Enbridge Gas's discretion.

| Term | Potential to be contracted |
|----------|----------------------------|
| 1 - year | 0 PJ's |
| 2 - year | 0 - 1 PJ's |
| 3 - year | 0 - 2 PJ's |
| 4 - year | 0 - 2 PJ's |
| 5 - year | 0 - 3 PJ's |

Location: Enbridge Gas will deliver gas to Storage Provider at Union Dawn for injection, and Storage Provider will re-deliver gas to Enbridge Gas at Union Dawn for withdrawal. If any transportation capacity is included as part of the storage offering to facilitate Dawn injections and withdrawals, please provide details.

Firm Injection Requirements: Must include the months from May 1 through Sept. 30

Firm Withdrawal Schedule: Must include the months from Dec. 1 through March 31

Responses: Should you be interested in supplying this storage service to Enbridge Gas, please complete the attached Excel form, stating the delivery points, term, MSB and service attributes with the relevant pricing, including demand, commodity charges and other items indicated.¹

The deadline to submit your proposal(s) is **2 p.m. Mountain Daylight Time on Jan. 25, 2021**, after which time Enbridge Gas will contact the parties which submitted proposals that have been selected². Please submit your proposal(s) to the attention of Paul Moran per the instructions in the enclosed attachment.

Additional Information: Enbridge Gas invites all potential participants to review a presentation that has been posted in the Storage and Transportation section of its website, within [Presentations](#).

*If you have questions regarding this RFP, please direct to the attention of Paul Moran at the email address provided above. The deadline for any **queries** is 12 p.m.(noon) Mountain Daylight Time on Jan. 12, 2021. All queries and responses will be provided to all parties on Jan. 15, 2021.*

Enbridge Gas will contact successful bidders following the close of the RFP process.

Yours truly,
Paul Moran
Guidehouse

¹ This storage service request may have Dodd Frank Act implications and may require specific clauses to be included in any storage agreement between the parties. Any such storage agreement will not be binding until a definitive agreement is executed by the parties.

² Please note that successful suppliers must meet all of Enbridge's credit criteria. Enbridge, in its sole discretion and for whatever reason, may accept or reject any and all proposals. Enbridge reserves the right at any time after the deadline to conduct negotiations with one or more of the bidders to the exclusion of others, and such negotiations may include changes to the storage service described in this letter.

| Number | Respondent | Term (Years) | Amount (GJs) | Withdrawal Period | | | Withdrawal Ratchet | | Ratchet Score | Price | | | | Annual Price |
|--------|------------|--------------|--------------|-------------------|-----|------|----------------------|--|---------------|------------------|-----------------------|----------------------------|-----------------------------|--|
| | | Term (Years) | Amount (GJs) | start | End | Days | max Daily withdrawal | ratchet (minimum days to withdraw) | Ratchet Score | Annual Demand | Variable Injection | Variable Withdra wal | Annual Price per 1 PJ | Annual Price for Provided Volume |
| | | | | | | | | | | | | | | |

UNABSORBED DEMAND COSTS (UDC) VARIANCE ACCOUNT

UNION RATE ZONES

1. The balance in the UDC Variance Account is a credit to ratepayers of \$1.666 million plus interest as of December 31, 2022 of \$0.028 million, for a total of \$1.694 million. The \$1.666 million balance is the difference between the actual UDC incurred by the Union Rate Zones and the amount of UDC collected in rates.

1. UDC Recovery in Rates

2. To meet customer demands across the Union rate zones and to meet the planned storage inventory levels at October 31, approved rates for the Union rate zones in 2021 included planned unutilized pipeline capacity of 11.3 PJ in Union North West, 3.1 PJ in Union North East and 0 PJ in Union South. The UDC volumes included in 2021 rates are based on the Gas Supply Plan filed in Union's Dawn Reference Price proceeding¹.
3. As discussed in the Enbridge Gas 5 Year Gas Supply Plan², in Union North, the upstream transportation capacity (long-haul, short-haul and STS) is first sized to meet the design day requirements. The amount of transportation capacity needed to meet average annual demand requirements is less than the capacity required to meet design day requirements. Therefore, a portion of contracted capacity for the Union rate zones is planned to be unutilized. In a warmer than normal year, UDC may be incurred in Union South, and additional UDC in Union North, to balance supply with lower demands. The Union North and Union South transportation portfolios are managed on an integrated basis and the pipeline to leave unutilized, if necessary, is determined based on the least cost option. In the EB-2021-0149

¹ EB-2015-0181, Exhibit A, Tab 2, Appendix A, Schedule 1.

² EB-2019-0137, page 82.

Settlement Proposal related to the disposition of the 2020 UDC Variance account, Enbridge Gas agreed:

“In future deferral and variance account clearance applications related to the deferred rebasing term, Enbridge Gas agrees that it will include evidence reporting on: UDC and transportation capacity released by rate zone, and the costs and revenues transferred between rate zones.”³

Table 1 provides the capacity released by rate zone and the associated UDC costs and/or revenue. The path released does not determine where the UDC costs or associated revenue for the releases will be allocated. Instead, the costs and revenue are allocated based on the portion of the UDC variance driven by each respective rate zone, as can be seen in Table 2.

Table 1
Capacity Released & Related Costs Incurred

| Line No. | Particulars | Union North East | Union North West | Union South | Total Franchise Area |
|----------|---------------------------------|------------------|------------------|-------------|----------------------|
| 1 | Capacity Released (TJ) | 2,953 | 5,957 | 19,631 | 28,541 |
| 2 | UDC Costs Incurred (\$000's) | 1,522 | 3,754 | 3,040 | 8,315 |
| 3 | Released UDC Capacity (\$000's) | 0 | (1,238) | (123) | (1,361) |

4. Enbridge Gas collected \$8.620 million in rates for UDC for the Union rate zones during 2021 and recorded an associated interest credit of \$0.028 million (see Table 2). Actual UDC costs in 2021 were \$8.315 million offset by \$1.361 million in released capacity value, resulting in a net cost of \$6.954 million (see Table 3).

³ EB-2021-0149, Exhibit N1, Tab 1, Schedule 1, page 15.

Actual UDC costs are allocated to Union North West, Union North East and Union South in proportion to the actual supply and demand variances which occurred in each respective area.

5. The variance between the amounts collected in rates and the actual UDC costs, including the interest credit of \$0.028 million, results in a net credit to ratepayers in the UDC Variance Account of \$1.694 million.
6. The balance applicable to sales service and bundled DP customers in Union North West is a credit of \$4.806 million and in Union North East, a credit of \$0.033 million. There is a debit of \$3.145 million applicable to sales service customers in Union South.
7. Table 2 provides the derivation of the UDC variance account balances by operational area.

Table 2
UDC Variance Account by Operational Area

| Line No. | Particulars (\$000's) | Union North East | Union North West | Union South | Total Franchise Area |
|----------|-----------------------------------|------------------|------------------|-------------|----------------------|
| 1 | UDC Collected in Rates | (1,511) | (7,109) | - | (8,620) |
| 2 | UDC Costs Incurred (Table 3) | 1,479 | 2,383 | 3,092 | 6,954 |
| 3 | Variance (line 1 + line 2) | (32) | (4,726) | 3,092 | (1,666) |
| 4 | Interest | (1) | (80) | 53 | (28) |
| 5 | (Credit)/Debit to Operations Area | (33) | (4,806) | 3,145 | (1,694) |

A description of each item in Table 2 is set out below:

1.1 UDC Collected in Rates

8. The 2021 OEB-approved rates include \$9.082 million of UDC associated with 14.4 PJ of planned unutilized pipeline capacity in Union North West and Union North East and no planned unutilized pipeline capacity in Union South. The total cost of UDC in rates assumes TC Energy final tolls effective January 1, 2021. On an actual basis in 2021, Enbridge Gas recovered \$8.620 million in Union North West and Union North East and \$0.0 million in Union South.

1.2 UDC Costs Incurred

9. The actual unutilized capacity in 2021 was 28.5 PJ. The level of unutilized capacity experienced in 2021 was largely due to planned unutilized capacity (and resulting UDC) and warmer than normal weather.
10. The costs reflected in the UDC Variance Account are the total demand charges for unutilized pipeline capacity totaling \$8.315 million, partially offset, by the value of \$1.361 million generated from releasing the pipeline transportation capacity to the market. Unutilized upstream transportation capacity is released and sold on the secondary market to minimize UDC. The value generated from the transportation releases is credited to the UDC Variance Account mitigating the overall UDC impact as shown in Table 3 below.

Table 3
UDC Costs Incurred

| Line No. | Particulars (\$000's) | Union North East | Union North West | Union South | Total Franchise Area |
|-------------|------------------------------|------------------------|------------------------|----------------|----------------------------|
| 1 | UDC Costs Incurred | 1,768 | 2,849 | 3,697 | 8,315 |
| 2 | Released Capacity Revenue | (289) | (466) | (605) | (1,361) |
| 3 | Net UDC Costs (Credit)/Debit | 1,479 | 2,383 | 3,092 | 6,954 |

ACCOUNT NO. 179-131 UPSTREAM TRANSPORTATION OPTIMIZATION – UNION
RATE ZONES

1. The Upstream Transportation Optimization Deferral Account was approved by the OEB in its EB-2011-0210 Decision to capture the variance between the ratepayers' 90% share of actual net revenues from optimization activities, and the amount refunded to ratepayers in rates. The 2021 balance in this deferral account is a debit from ratepayers of \$8.616 million plus interest of \$.078 million for a total debit from ratepayers of \$8.694 million.
2. In setting rates for 2021, the OEB approved a forecast of optimization revenue of \$14.918 million. Of that amount, 90% or \$13.426 million, was credited to ratepayers in the OEB-approved 2021 rates.¹ On an actual basis, consistent with the method approved in its EB-2011-0210 Decision and Rate Order, Union credited \$15.392 million in rates to ratepayers during 2021, \$1.966 million greater than the OEB-approved amount of \$13.426 million. The credit is due to actual sales service volumes exceeding the forecast sales service volumes in rates. The main driver of actual sales service volumes exceeding the forecasted amount is customer growth since 2013.
3. The Company earned \$7.529 million in net revenues from upstream transportation optimization during 2021 in the Union Rate Zones. In accordance with the OEB-approved sharing methodology, 90% of this net revenue, or \$6.776 million, is to be credited to customers. As stated above, \$15.392 million has already been credited through rates; therefore, the deferral balance is a debit from ratepayers of \$8.616 million (\$15.392 million less \$6.776 million).

¹ Detailed schedule last filed at EB-2017-0087 (2018 Rates), Draft Rate Order, Working Papers, Schedule 14, page 1. The credit of \$13.426 million to Union rate zone in-franchise customers is maintained in the setting of rates for the 2019-2023 deferred rebasing period in accordance with the approved rate-setting mechanism.

4. Exhibit E, Tab 1, Schedule 1, provides a summary of the calculation of the balance in this deferral account. 2021 actual Upstream Transportation Optimization revenue in the Union rate zones is lower than 2013 OEB-approved revenue primarily due to the elimination of the TransCanada FT-RAM program (\$5.800 million) and changing market dynamics.

ACCOUNT NO. 179-70 SHORT-TERM STORAGE AND OTHER BALANCING
SERVICES – UNION RATE ZONES

1. The Short-Term Storage and Other Balancing Services Deferral Account includes revenues from C1 Off-Peak Storage, Gas Loans, Supplemental Balancing Services and C1 Short-Term Firm Peak Storage. The deferral account compares the ratepayer share (90%) of net revenue for Short-Term Storage and Other Balancing Services with the amount credited to ratepayers in rates for Short-Term Storage and Other Balancing Services. The net revenue for Short-Term Storage and Other Balancing Services is determined by deducting the costs incurred to provide service from the gross revenue. The balance in this deferral account is a debit from ratepayers of \$3.577 million, plus interest of \$0.0325 million for a total debit from ratepayers of \$3.609 million.
2. As shown in Table 3, the balance is calculated by comparing \$0.974 million (ratepayer 90% share of the actual 2021 Short-Term Storage and Other Balancing Services net revenue of \$1.082 million) to the net revenue included in Union rate zone rates of \$4.551 million.¹ The details of the balance are found at Exhibit E, Tab 1, Schedule 2.

¹ EB-2011-0210, Decision and Rate Order, January 17, 2013, page 16.

Table 3

Deferral Summary: Short-term Storage and Other Storage Services

| <u>Line</u> | | <u>Actual</u> |
|-------------|---|----------------|
| <u>No.</u> | <u>Particulars (\$000's)</u> | <u>2021</u> |
| 1 | Net Revenue | 1,082 |
| 2 | Ratepayer Portion (90%) | 974 |
| 3 | Approved in Rates | 4,551 |
| 4 | Deferral Balance Payable to/(Collectable from) Ratepayers | <u>(3,577)</u> |

3. Actual 2021 revenues from C1 Off-Peak Storage, Gas Loans and all other Balancing services of \$1.075 million were \$1.425 million lower than the 2013 OEB-approved forecast of \$2.500 million.
4. The C1 Short-Term Firm Peak Storage revenues of \$1.536 million were \$6.347 million lower than the 2013 Board-approved forecast of \$7.883 million. Actual Union rate zone utility storage requirements for 2021 were 8.3 PJ higher than the 2013 OEB-approved forecast, resulting in a decrease in the C1 Short-Term Firm Peak Storage available for sale (from 11.3 PJ in 2013 OEB-approved to 3.0 PJ in 2021). Union rate zone customers received the value of storage directly through the use of the storage space, rather than through the sale of short-term storage.
5. Year-over-year, actual utility storage requirements for 2021 were 0.7 PJ lower than the requirement in 2020, resulting in an increase in the C1 Short-Term Peak Storage available for sale (from 2.3 PJ in 2020 to 3.0 PJ in 2021). This is a result of a decrease in the storage requirement for utility customers. The storage requirement for the general service market was calculated using the OEB-approved aggregate excess methodology. The storage requirement for the contract market was calculated specifically for each customer using either the OEB-approved aggregate excess

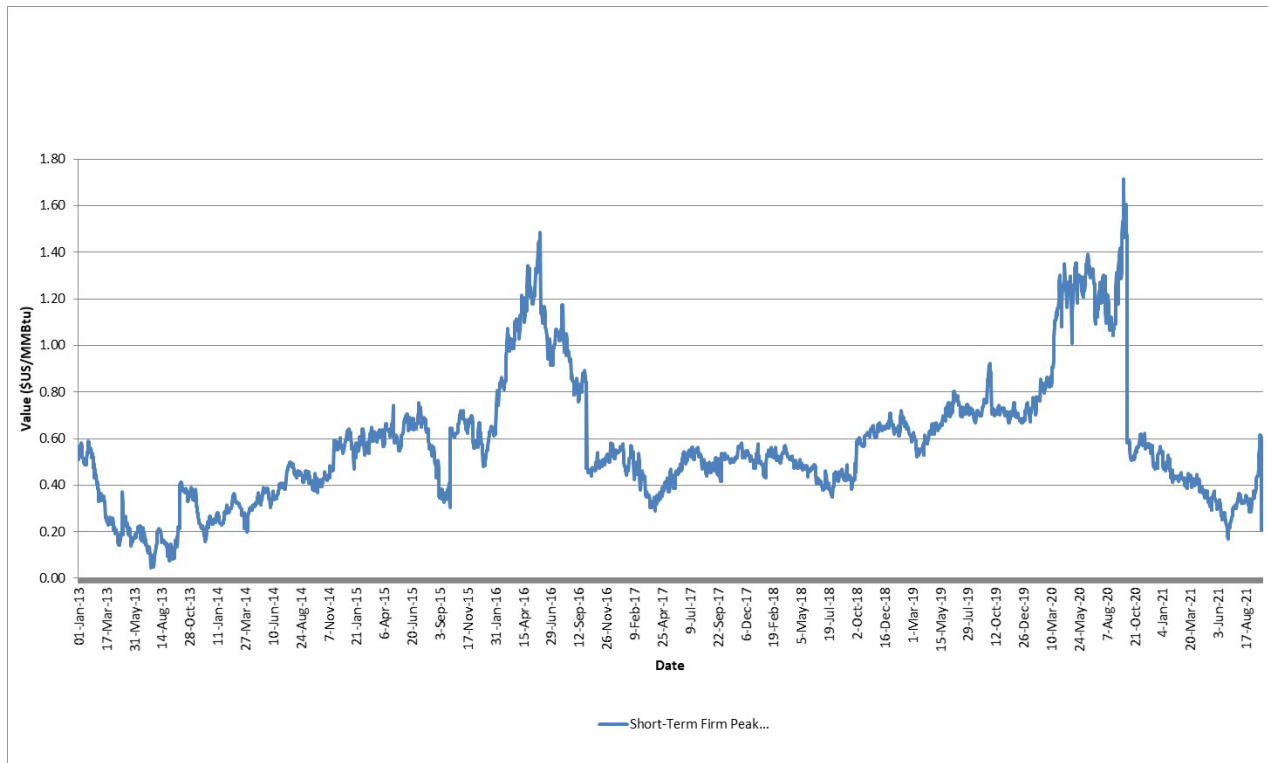
methodology, the 15 times obligated Daily Contracted Quantity (DCQ) storage methodology, or the 10 times Firm Contract Demand (CD) storage methodology (for those customers who have elected the Customer Managed Service).² Enbridge Gas has included the calculation for utility storage space requirements and the deliverability by rate class at Exhibit E, Tab 1, Schedule 2, Appendix A.³

6. The 2013 OEB-approved forecast implied an annual average value for C1 Short-Term Firm Peak Storage of \$0.70/GJ (\$7.883 million/11.3 PJ), and the actual average annual C1 Short-Term Firm Peak Storage value in 2021 was \$0.51/GJ (\$1.5 million/3.0 PJ). Please see Figure 1 for Short-Term Peak Storage values in US dollars.

² EB-2016-0245, Decision and Rate Order, Schedule 1, Settlement Proposal, page 7.

³ EB-2021-0149, Decision on Settlement Proposal, Schedule 1, Settlement Proposal, page 16.

Figure 1
Historical Short-Term Firm Peak Storage Values at Dawn 2013-2021



1. Non-Utility Storage Balances for 2021

7. In its EB-2011-0210 Decision, the OEB directed legacy Union to file a report similar to that ordered in EB-2011-0038 to monitor the inventory related to non-utility storage operations. Exhibit E, Tab 1, Schedule 3 shows the non-utility inventory balances for October and November of 2021 (for legacy Union storage).
8. During the 2021 injection season, the non-utility storage balance peaked on November 18, 2021 at 98.9% full with a balance of 126.1 PJ compared to available space of 127.6 PJ. At October 31, 2021, the date to which the Company manages its storage balance, the non-utility balance was 95.1% of available space. The balance stayed below the total non-utility available space of 100% for the rest of 2021.

9. In EB-2011-0210, the OEB further ordered Union to file a calculation for a storage encroachment payment from Union's non-utility business to Union's utility business, if Union's non-utility business encroached on Union's utility space. There was no encroachment of utility space in 2021 and therefore no calculation applies.

2. Sale of Non-Utility Storage Space

10. Enbridge Gas prioritizes the sale of its legacy Union utility storage ahead of the sale of its short-term non-utility storage and allocates short-term peak storage margins between utility and non-utility as directed by the OEB in EB-2011-0210.⁴ Margins from short-term peak storage services are proportionately split between the utility and non-utility customers based on the utility and non-utility share of the total quantity of short-term peak storage sold each calendar year. Short-term peak sales include any sale of storage space for a term of less than two storage years.
11. In 2021, Enbridge Gas sold a total of 3.0 PJ of short-term peak storage (legacy Union). The total 3.0 PJ was excess utility space, calculated by deducting 97.0 PJ of in-franchise utility requirement (as per the Gas Supply Plan) from the total 100 PJ of in-franchise utility storage. There was no sale of short-term peak storage from non-utility space. Total revenue from the sale of C1 Short-Term Peak Storage (Utility) in 2021 was \$1.536 million. Details of the above sales are reflected in Exhibit E, Tab 1, Schedule 4.

⁴ EB-2011-0210, Decision and Order, pages 116-117.

ACCOUNT NO. 179-133 NORMALIZED AVERAGE CONSUMPTION (NAC)
UNION RATE ZONES

1. The purpose of the NAC deferral account is to record the variance in delivery revenue and storage revenue and costs resulting from the difference between the target NAC included in OEB-approved rates and the actual NAC for general service rate classes Rate M1, Rate M2, Rate 01 and Rate 10. As described in Union's 2014 Deferral Account Disposition¹ proceeding, including the revenue from storage rates in the NAC deferral account requires storage-related costs associated with the difference in target and actual NAC to also be included in the deferral account balance.
2. For 2021, the balance in the NAC deferral account is a debit to ratepayers of \$18.998 million plus interest of \$0.239 million for a total debit to ratepayers of \$19.237 million.
3. The NAC Deferral Account follows the same methodology agreed to by parties in Union's 2014-2018 Incentive Regulation (IR) Settlement Agreement² and as subsequently modified in Union's 2015 Rates³ proceeding.

1. Target and Actual NAC

4. The 2021 target NAC used to calculate base rates for each rate class was approved by the OEB in Enbridge Gas's 2021 Rates⁴ proceeding. The 2019 actual NAC, weather normalized using the 2021 weather normal, was used to determine the 2021 target NAC for each rate class to calculate base rates. Setting the 2021 target

¹ EB-2015-0010.

² EB-2013-0202.

³ EB-2014-0271.

⁴ EB-2020-0095.

NAC based on the 2019 actual NAC recognizes that over the two-year span to the current year, any volumes saved and lost revenues due to DSM activities will be captured by the variance between the target NAC and actual NAC. This is due to the inclusion of the DSM saved volumes within the actual reported consumption.

5. The 2021 forecast usage used to calculate Y factor unit rates for each rate class was approved by the OEB in Enbridge Gas's 2021 Rates proceeding. The unit rates for pass-through (Y factor) costs are derived based on OEB-approved cost allocation and rate design methodologies and are passed through to customers at cost.
6. The 2021 actual NAC for each rate class is weather normalized using the 2021 weather normal, which is produced using the OEB-approved weather methodology consisting of a 50:50 average of the 30-year average and the 20-year trend estimates of annual heating degree-days.
7. Table 1 provides the 2021 target NAC and 2021 actual NAC by rate class for base rates.

Table 1
2021 Target and Actual NAC - Base Rates

| <u>Line No.</u> | <u>Particulars (m³/customer)</u> | <u>Rate 01</u> | <u>Rate 10</u> | <u>Rate M1</u> | <u>Rate M2</u> |
|-----------------|---|----------------|----------------|----------------|----------------|
| | | (a) | (b) | (c) | (d) |
| 1 | 2021 Target NAC | 2,889 | 171,540 | 2,776 | 168,419 |
| 2 | 2021 Actual NAC | 2,766 | 151,411 | 2,668 | 149,840 |
| 3 | Variance (Target - Actual NAC) | 124 | 20,129 | 108 | 18,580 |

8. Table 2 provides the 2021 target and 2021 actual NAC by rate class for Y factor rates.

Table 2
2021 Target and Actual NAC - Y Factor Rates

| Line No. | Particulars (m ³ /customer) | Rate 01 | Rate 10 | Rate M1 | Rate M2 |
|----------|--|---------|---------|---------|---------|
| | | (a) | (b) | (c) | (d) |
| 1 | 2021 Target NAC | 2,830 | 166,842 | 2,692 | 169,477 |
| 2 | 2021 Actual NAC | 2,766 | 151,411 | 2,668 | 149,840 |
| 3 | Variance (Target - Actual NAC) | 64 | 15,431 | 24 | 19,637 |

2. Delivery and Storage Revenues

9. The deferral account balance is calculated by multiplying the variance between the weather normalized target NAC and the weather normalized actual NAC by the 2013 OEB-approved number of customers and the 2021 OEB-approved delivery and storage rates for each general service rate class. A credit balance in the NAC Deferral Account reflects that the actual NAC is greater than the target NAC, while a debit balance in the NAC Deferral Account reflects that the actual NAC is less than the target NAC.
10. Table 3 provides the NAC Deferral Account balances by rate class. The detailed calculation of the NAC Deferral Account balance can be found at Exhibit E, Tab 1, Schedule 6.

Table 3
2021 NAC Deferral Account

Line

| <u>No.</u> | <u>Particulars (\$000s)</u> | Rate 01 | Rate 10 | Rate M1 | Rate M2 | Total |
|------------|-----------------------------|---------|---------|---------|---------|---------|
| | | (a) | (b) | (c) | (d) | (e) |
| 1 | Delivery Revenue Balances | 3,594 | 2,444 | 4,539 | 5,779 | 16,355 |
| 2 | Storage Revenue Balances | 1,873 | 1,407 | 916 | 886 | 5,081 |
| 3 | Storage Cost Balances | (201) | (99) | (890) | (1,249) | (2,438) |
| 4 | Interest | 64 | 45 | 65 | 65 | 239 |
| 5 | Total NAC Deferral Balance | 5,330 | 3,797 | 4,629 | 5,481 | 19,237 |

3. Deferral Account Impacts

11. For Rate M1, the 2021 actual NAC is lower than the target NAC used to derive base rates by 108 m³/customer (Table 1, line 3, column (c)) and lower than the target NAC used to derive Y factor rates by 24 m³/customer (Table 2, line 3, column (c)). As shown in Table 3 above, this results in a delivery and storage revenue debit to ratepayers of \$5.454 million (\$4.539 million and \$0.916 million respectively). In addition, the NAC volume variance decreases the Rate M1 storage requirement by 1.310 PJ. Accordingly, EGI must refund an amount of \$0.890 million (Table 3, line 3, column (c)) to Rate M1 customers to recognize the decreased Rate M1 storage requirements.

12. For Rate M2, the 2021 actual NAC is lower than the target NAC used to derive base rates by 18,580 m³/customer (Table 1, line 3, column (d)) and lower than the target NAC used to derive Y factor rates by 19,637 m³/customer (Table 2, line 3, column (d)). As shown in Table 3 above, this results in a delivery and storage revenue debit to ratepayers of \$6.665 million (\$5.779 million and \$0.886 million

respectively). In addition, the NAC volume variance decreases the Rate M2 storage requirement by 1.840 PJ. Accordingly, EGI must refund \$1.249 million (Table 3, line 3, column (d)) to Rate M2 customers to recognize the decreased Rate M2 storage requirements.

13. For Rate 01, the 2021 actual NAC is lower than the target NAC used to derive base rates by 124 m³/customer (Table 1, line 3, column (a)) and lower than the target NAC used to derive Y factor rates by 64 m³/customer (Table 2, line 3, column (a)). As shown in Table 3 above, this results in a delivery and storage revenue debit to ratepayers of \$5.467 million (\$3.594 million and \$1.873 million respectively). In addition, the NAC volume variance decreased the Rate 01 storage requirement by 0.240 PJ. Accordingly, EGI must refund an amount of \$0.201 million (Table 3, line 3, column (a)) to Rate 01 customers to recognize the decreased Rate 01 storage requirements.

14. For Rate 10, the 2021 actual NAC is lower than the target used to derive base rates NAC by 20,129 m³/customer (Table 1, line 3, column (b)) and lower than the target NAC used to derive Y factor rates by 15,431 m³/customer (Table 2, line 3, column (b)). As shown in Table 3 above, this results in a delivery and storage revenue debit to ratepayers of \$3.851 million (\$2.444 million and \$1.407 million respectively). In addition, the NAC volume variance decreases the Rate 10 storage requirement by 0.120 PJ. Accordingly, EGI must refund \$0.099 million (Table 3, line 3, column (b)) to Rate 10 customers to recognize the decreased Rate 10 storage requirements.

4. Storage Costs

15. The storage costs recognize that variances between the 2021 target NAC and the 2013 OEB-approved NAC change the storage requirements for each general service rate class. As OEB-approved storage rates are not updated during the IR term to reflect changes in storage requirements due to NAC variances, EGI must capture

the NAC-related change in storage costs in the NAC Deferral Account for the Union rate zones as per the OEB's Decision in Union's 2013 Deferrals Disposition proceeding (EB-2014-0145), page. 9, "starting in 2014, the NAC Deferral Account, which replaces the Average Use Per Customer Deferral Account, will include storage related revenues and costs for general service rate classes."

16. To determine the change in storage requirements for each general service rate class due to NAC variances, the Company calculated the NAC volume variance per customer between its 2021/2022 Gas Supply Plan and the 2013 OEB-approved volumes multiplied by the 2013 OEB-approved number of customers.
17. Using the OEB-approved aggregate excess methodology, EGI calculated the change in storage requirements for each of the general service rate classes due to variances in NAC. The 2021/2022 Gas Supply Plan volumes represent the April 1, 2021 to March 31, 2022 period, which are used to determine the storage requirements for general service rate classes effective November 1, 2021. These general service rate class storage requirements are then used in the calculation of the total in-franchise utility storage space requirement at November 1, 2021. The difference between the total in-franchise utility storage requirement and the total 100 PJ of utility storage represents the excess utility storage capacity available for sale (excess utility space) at November 1, 2021.
18. For Rate M1, the NAC volume variance between the 2021/2022 Gas Supply Plan and the 2013 OEB-approved volumes was a decrease of 6.254 PJ. The majority of the NAC volume variance decrease occurred in the winter months, which decreased the Rate M1 storage requirement by 1.310 PJ. This resulted in decreased storage costs of \$0.890 million (Table 3, line 3, column (c)).

19. For Rate M2, the NAC volume variance between the 2021/2022 Gas Supply Plan and the 2013 OEB-approved volumes was an increase of 4.705 PJ. The majority of the NAC volume variance increase occurred in the summer months, which decreased the Rate M2 storage requirement by 1.840 PJ and resulted in decreased storage costs of \$1.249 million (Table 3, line 3, column (d)).
20. For Rate 01, the NAC volume variance between the 2021/2022 Gas Supply Plan and the 2013 OEB-approved volumes was an increase of 0.164 PJ. The majority of the NAC volume variance increase occurred in the summer months, which decreased the Rate 01 storage requirement by 0.240 PJ and decreased storage costs by \$0.201 million (Table 3, line 3, column (a)).
21. For Rate 10, the NAC volume variance between the 2021/2022 Gas Supply Plan and the 2013 OEB-approved volumes was an increase of 0.543 PJ. The majority of the NAC volume variance increase occurred in the summer months, which decreased the Rate 10 storage requirement by 0.120 PJ and resulted in decreased storage costs of \$0.099 million (Table 3, line 3, column (b)).
22. Overall, the NAC volume variance between the 2021/2022 Gas Supply Plan and the 2013 OEB-approved volumes resulted in a decrease in general service storage requirements of 3.510 PJ. Accordingly, EGI has included a storage cost credit of \$2.438 million in the NAC Deferral Account. Please see Table 4 below for a summary of the change in general service storage requirements due to NAC volume variances by rate class.

Table 4
Change in General Service Storage Requirements from 2013
OEB-approved (based on weather normalized NAC)

| | PJ | | PJ |
|-------------|----------------|-------------|----------------|
| Rate M1 | (1.310) | Rate 01 | (0.240) |
| Rate M2 | (1.840) | Rate 10 | (0.120) |
| Total South | <u>(3.150)</u> | Total North | <u>(0.360)</u> |

23. The reduction in storage activity has decreased storage deliverability costs, the commodity-related costs at Dawn and storage inventory carrying costs.

24. The 3.510 PJ reduction in general service storage requirements due to NAC volume variances forms part of the 2.984 PJ of excess utility space available for sale for winter 2021/2022. The revenue from the sale of the 2.984 PJ of excess utility space is recorded in the Short-Term Storage and Other Balancing Deferral Account (Account No. 179-70).

DEFERRAL CLEARING VARIANCE ACCOUNT– UNION RATE ZONES

1. The purpose of the Deferral Clearing Variance Account (DCVA) is to capture the differences between the forecast and actual volumes associated with the disposition of deferral account balances to the Union rate zones. The intent of the variance account is to minimize or eliminate the gains or losses to ratepayers and the Company as a result of volume variances associated with the disposition of deferral account balances.
2. The balance in this variance account is a credit to Union rate zones ratepayers of \$3.120 million, plus interest to December 31, 2022 of a \$0.046 million, for a total credit of \$3.166 million. The balance includes the following residual balances from various dispositions, discussed further below:

| | |
|---|---------------|
| a. Prospective Recovery Account Dispositions | (\$ millions) |
| i. 2017/18 Demand Side Management (DSM) | (1.990) |
| ii. 2019 Earnings Sharing and Deferrals | (1.982) |
| iii. 2019 Federal Carbon Pricing Program (FCPP) | (0.291) |
| b. One-time Adjustment Account Dispositions | |
| i. 2019 DSM | 1.122 |

3. As reflected in Exhibit E, Tab 1, Schedule 2, page 1, Line 5, the overall balance also reflects a debit of \$0.020 million in relation to the various deferral account dispositions including residual amounts not able to be disposed of as one-time billings and amounts related to manual rebills.

1. Prospective Recovery Account Dispositions

6. Of the account balance, a \$3.971 million credit balance, plus interest of \$0.589 credit, represents an under-refund/over-collection from ratepayers for dispositions disposed of using prospective recovery in the 2017/18 DSM Deferrals Disposition¹ and 2019 Earnings Sharing and Deferrals Disposition² proceedings. Please see Exhibit E, Tab 1, Schedule 5, page 1 for a summary of the deferral account balance disposed of using the prospective recovery method. Additionally, a \$0.291 million credit is a residual balance from the disposition of 2019 federal carbon balances in the 2020 FCPP³ proceeding.

1.1 Union Rate Zones 2017-2018 DSM Deferral (EB-2020-0067)

7. In its EB-2020-0067 Decision, the OEB approved the prospective disposition of the balances in the approved deferral accounts to rate classes through a temporary rate adjustment from April 1, 2021 to June 30, 2021. The total amount approved for prospective recovery from rate classes was a \$24.196 million debit. Please see Exhibit E, Tab 1, Schedule 5, page 2, column (f), for the forecast amount to be recovered by rate class, based on the forecasted volumes as noted in column (a) of the same exhibit.
8. Actual volumes for the period April 1, 2021 to June 30, 2021 averaged approximately 4% greater than forecast due to colder weather in the same period. As a result of the actual volumes being greater than the forecasted volumes, the Company recovered \$26.186 million, which is \$1.990 million more than the balance approved for disposition. Please see Exhibit E, Tab 1, Schedule 5, page 2, column (g) for the actual disposition of deferral accounts and column (h) of the same exhibit for the variance between forecast and actual disposition.

¹ EB-2020-0067.

² EB-2020-0134.

³ EB-2019-0247.

1.2 Union Rate Zones 2019 Earnings Sharing and Deferrals Disposition (EB-2020-0134)

9. In its EB-2020-0134 Decision, the OEB approved the prospective disposition of the balances in the approved deferral accounts to rate classes through a temporary rate adjustment from October 1, 2021 to December 31, 2021. The total amount approved for prospective refund to rate classes was a \$14.096 million credit. Please see Exhibit E, Tab 1, Schedule 5, page 3, column (e), for the forecast amount to be refunded by rate class, based on the forecasted volumes as noted in column (a) of the same exhibit.
10. Actual volumes for the period October 1, 2021 to December 31, 2021 averaged approximately 19% lower than forecast primarily due to warmer weather in the same period. As a result of the actual volumes being lower than the forecasted volumes, the Company refunded \$12.115 million, which is \$1.982 million less than the balance approved for disposition. Please see Exhibit E, Tab 1, Schedule 5, page 3, column (f) for the actual disposition amounts by rate class, based on the actual volumes as shown in column (b). Column (g) of the same exhibit shows the variance between forecast and actual disposition.

1.3 Union Rate Zones 2020 Federal Carbon Pricing Program (EB-2019-0247)

5. A \$0.291 million credit balance pertains to over-collection from ratepayers related to the 2019 FCPP deferral and variance account disposition within the 2020 FCPP proceeding. In its EB-2019-0247 Decision, the OEB approved the prospective disposition of the balances in the 2019 FCPP deferral accounts to rate classes through a temporary rate adjustment from October 1, 2020 to December 31, 2020.
6. Following the OEB's approval of 2019 balances, contract customers were subsequently exempted from the customer-related federal carbon levy. Enbridge Gas had already received approval to collect amounts from Union rate zones

customers related to the exempted customers, therefore, the over-collection from customers requires a disposition to ratepayers.

2. One-time Adjustment Account Disposition

11. The 2019 DSM Deferrals Disposition was the first time Enbridge Gas used a common disposition methodology across the EGD and Union rate zones. The Rate Order of that proceeding reflects a one-time billing adjustment for all Enbridge Gas customers.

2.1 Union Rate Zones 2019 DSM Deferrals (EB-2021-0072)

12. A \$1.122 million debit balance represents an under-collection from ratepayers for disposition using one-time-adjustment in the 2019 DSM Deferrals Disposition⁴ proceeding. In July of 2021, the Company received approval to clear the 2019 DSM deferral accounts within the EB-2021-0072 proceeding and dispose of the balance in October 2021. The billing adjustment was derived for each customer individually by applying the disposition unit rates to each customer's actual consumption volume for the period July 1, 2019 to June 30, 2020 for the Union rate zone general service customers.⁵ The outstanding amount is as a result of the billing systems' inability to locate all the intended customers.

⁴ EB-2021-0072.

⁵ Enbridge Gas Draft Rate Order, EB-2021-0072, June 30, 2021.

PARKWAY WEST PROJECT COSTS DEFERRAL ACCOUNT – UNION RATE ZONES

1. In its Parkway West Project (EB-2012-0433) Decision, the OEB approved the establishment of the Parkway West Project Costs Deferral Account to track the differences between the actual revenue requirement related to costs for the Parkway West Project and the revenue requirement included in rates.
2. The balance in this deferral account is a credit to Union rate zones ratepayers of \$0.603 million plus interest of \$0.006 million for a total credit balance of \$0.609 million. The balance of \$0.603 million represents the difference between the revenue requirement of \$19.971 million included in 2021 rates (EB-2020-0095) and the calculation of the actual revenue requirement for 2021 of \$19.368 million as shown in Table 1.

TABLE 1
2021 PARKWAY WEST PROJECT RATE BASE AND REVENUE REQUIREMENT

| Line No. | Particulars (\$000's) | Col. 1 2021 Board-approved (a) | Col. 2 2021 Actuals (b) | Col. 3 Difference (c) = (b - a) |
|---|---|--------------------------------------|-------------------------------|---------------------------------------|
| <u>Rate Base Investment</u> | | | | |
| 1. | Capital Expenditures | - | 15 | 15 |
| 2. | Cumulative Capital Expenditures | 233,147 | 231,703 | (1,444) |
| 3. | Average Investment | 199,738 | 198,371 | (1,367) |
| <u>Revenue Requirement Calculation:</u> | | | | |
| <u>Operating Expenses:</u> | | | | |
| 4. | Operating and Maintenance Expenses | 2,206 | 1,871 | (335) |
| 5. | Depreciation Expense (1) | 5,532 | 5,496 | (36) |
| 6. | Property Taxes | 579 | 388 | (191) |
| 7. | Total Operating Expenses | 8,317 | 7,755 | (562) |
| 8. | Required Return (2) | 11,304 | 11,227 | (77) |
| 9. | Total Operating Expense and Return | 19,621 | 18,982 | (639) |
| <u>Income Taxes:</u> | | | | |
| 10. | Income Taxes - Equity Return (3) | 2,315 | 2,299 | (16) |
| 11. | Income Taxes - Utility Timing Differences (4) | (1,966) | (1,914) | 52 |
| 12. | Total Income Taxes | 350 | 385 | 35 |
| 13. | Total Revenue Requirement | 19,971 | 19,368 | (603) |

Notes:

- (1) Depreciation expense at 2013 Board-approved depreciation rates.
- (2) The required return assumes a capital structure of 64% long-term debt at 3.82% and 36% common equity at the 2013 Board-approved return of 8.93%. The 2021 required return calculation is as follows:
 $\$198.326 \text{ million} \times 64\% \times 3.82\% = \$4.849 \text{ million plus}$
 $\$198.326 \text{ million} \times 36\% \times 8.93\% = \$6.376 \text{ million for a total of } \11.225 million.
- (3) Taxes related to the equity component of the return at a tax rate of 26.5%.
- (4) Taxes related to utility timing differences are negative as the capital cost allowance deduction in arriving at taxable income exceeds the provision of book depreciation in the year.

1. Capital Expenditures

3. The actual 2021 capital expenditures on in-service assets are \$0.015 million higher than 2021 OEB-approved as shown in Table 2.

TABLE 2
PARKWAY WEST CAPITAL EXPENDITURES

| Line No. | Particulars (\$000's) | 2021 Board-approved (a) | 2021 Actuals (b) | Difference (c) = (b - a) |
|----------|----------------------------|----------------------------|---------------------|-----------------------------|
| 1. | Plant Infrastructure | - | 15 | 15 |
| 2. | Compressor Equipment | - | - | - |
| 3. | Total Capital Expenditures | - | 15 | 15 |

4. Plant infrastructure costs were \$0.015 million higher than costs included in 2021 OEB-approved rates due to consulting fees regarding the heritage homes discussed in the Company's 2019 Earnings Sharing and Deferrals Disposition interrogatory response to OEB staff¹. Enbridge Gas plans to mothball the heritage homes in 2022.

2. Average Investment

5. The average investment decrease of \$1.367 million from OEB-approved is due to the cumulative capital expenditures being \$1.444 million lower than OEB-approved.

3. Operating Expenses

6. Operating and maintenance expenses were \$0.335 million below the costs included in the 2021 OEB-approved rates. The decrease is a result of a Long-term Service Agreement (LTSA) that was included in 2021 OEB-approved rates but not incurred in actual O&M expense. The Company elected not to enter an LTSA, that would

¹ EB-2020-0134, EGI 2019 Earnings Sharing and Deferrals Disposition, Exhibit I.STAFF.25, a).

have provided loss of critical unit coverage should the Company experience operational issues with Parkway B, as with the commissioning of Parkway D it was determined that it provided the required backup.

7. Property taxes were \$0.191 million lower than costs included in 2021 OEB-approved rates. The decrease is a result of the Municipal Property Assessment Corporation (MPAC) deciding not to apply a Land Classification tax charge that was expected for 2019 and onwards.

BRANTFORD KIRK WALL/PARKWAY D PROJECT COSTS

UNION RATE ZONES

1. In its Brantford-Kirkwall/Parkway D (EB-2013-0074) Decision, the OEB approved the establishment of the Brantford-Kirkwall/Parkway D Project Costs Deferral Account to track the differences between the actual revenue requirement related to costs for the Brantford-Kirkwall/Parkway D Project and the revenue requirement included in rates.
2. The balance in this deferral account is a credit to Union rate zone ratepayers of \$0.045 million plus interest of \$0.003 million for a total credit balance of \$0.045 million. The balance of \$0.045 million represents the difference between the revenue requirement of \$15.329 million included in 2021 rates (EB-2020-0095) and the calculation of the actual revenue requirement for 2021 of \$15.284 million as shown in Table 1. The small decline in the actual revenue requirement results from minor underages in the capital cost and municipal taxes of the project.

TABLE 1
2021 BRANTFORD-KIRK WALL PIPELINE/PARKWAY D PROJECT RATE BASE AND REVENUE REQUIREMENT

| | Col. 1 | Col. 2 | Col. 3 |
|---|---------------------|--------------|---------------|
| Line No. | 2021 Board-approved | 2021 Actuals | Difference |
| Particulars (\$000's) | (a) | (b) | (c) = (b - a) |
| <u>Rate Base Investment</u> | | | |
| 1. Capital Expenditures | - | - | - |
| 2. Cumulative Capital Expenditures | 197,404 | 197,378 | (26) |
| 3. Average Investment | 167,709 | 167,680 | (29) |
| <u>Revenue Requirement Calculation:</u> | | | |
| <u>Operating Expenses:</u> | | | |
| 4. Operating and Maintenance Expenses | - | - | - |
| 5. Depreciation Expense (1) | 4,995 | 4,995 | - |
| 6. Property Taxes | 995 | 952 | (43) |
| 7. Total Operating Expenses | 5,990 | 5,947 | (43) |
| 8. Required Return (2) | 9,492 | 9,490 | (2) |
| 9. Total Operating Expense and Return | 15,482 | 15,437 | (45) |
| <u>Income Taxes:</u> | | | |
| 10. Income Taxes - Equity Return (3) | 1,944 | 1,944 | - |
| 11. Income Taxes - Utility Timing Differences (4) | (2,097) | (2,097) | - |
| 12. Total Income Taxes | (153) | (153) | - |
| 13. Total Revenue Requirement | 15,329 | 15,284 | (45) |

Notes:

- (1) Depreciation expense at 2013 Board-approved depreciation rates.
- (2) The required return assumes a capital structure of 64% long-term debt at 3.82% and 36% common equity at the 2013 Board-approved return of 8.93%. The 2021 required return calculation is as follows:
 $\$167.680 \text{ million} \times 64\% \times 3.82\% = \$4.099 \text{ million plus}$
 $\$167.680 \text{ million} \times 36\% \times 8.93\% = \$5.39 \text{ million for a total of } \9.490 million.
- (3) Taxes related to the equity component of the return at a tax rate of 26.5%.
- (4) Taxes related to utility timing differences are negative as the capital cost allowance deduction in arriving at taxable income exceeds the provision of book depreciation in the year.

UNACCOUNTED FOR GAS VOLUME DEFERRAL ACCOUNT

UNION RATE ZONES

1. The purpose of the Unaccounted for Gas (UFG) Volume Deferral Account is to capture the difference between the unit cost of UFG recovered in the rates approved by the OEB and actual UFG costs incurred. The amount of the UFG volume deferral account to be cleared to customers is subject to a symmetrical dead-band of \$5.0 million, with amounts within such dead-band being to Enbridge Gas's account.
2. Union rate zones' 2021 Board Approved rates included \$10.1 million in UFG costs. Based on 2021 actual volumes, Enbridge Gas recovered \$10.4 million in UFG costs for 2021. In comparison, Enbridge Gas's actual 2021 UFG costs were \$35.9 million. The difference of \$25.5 million is above the \$5.0 million threshold established by the OEB for the UFG Volume Variance Account. As a result, there is a debit balance of \$20.5 million in the UFG Volume Deferral Account, plus interest of \$0.2 million for a total debit balance of \$20.7 million. See Table 1 below.

Table 1
2021 UTILITY UFG VARIANCES FROM BOARD-APPROVED

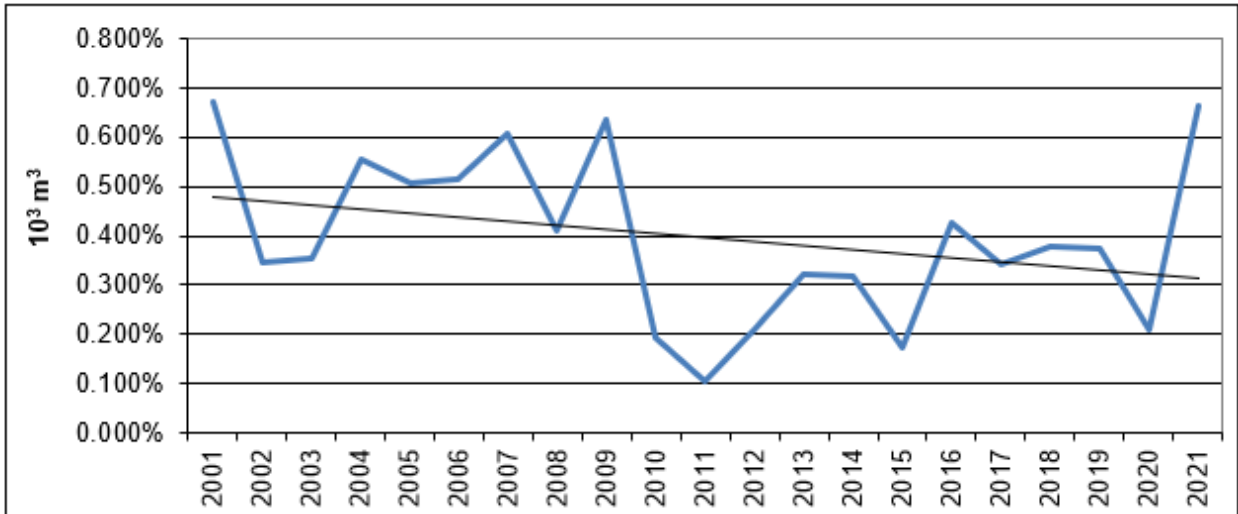
| Line No. | Particulars | Variance (\$Millions) |
|-------------|---|--------------------------|
| 1 | UFG Cost Included in Rates | \$ 10.1 |
| 2 | Net Recovery Variance | \$ 0.3 |
| 3 | Total UFG Collected in 2021 Rates (line 1 + line 2) | \$ 10.4 |
| 4 | Total Utility UFG Actual Cost | \$ 35.9 |
| 5 | Total Utility UFG Variance (line 3 - line 4) | -\$ 25.5 |
| 6 | \$5M UFG Symmetrical Dead-band | \$ 5.0 |
| 7 | UFG Volume Deferral (receivable) | -\$ 20.5 |

(1) Board Approved throughput was 32,010 10⁶m³ versus actual throughput of 37,612 10⁶m³

(2) Board Approved UFG % is 0.219% versus actual UFG % of 0.672% for 2021.

3. The methodology for determining the actual UFG expense of \$35.9 million in 2021 is consistent with the methodology historically used to calculate actual UFG for the audited Financial Statements, utility rate setting and earnings calculation.
4. Table 2 and Table 3 provide historical UFG volumes and percentage of throughput for the Union rate zone from 2001 to 2021.

Table 2: Historical UFG Percentage of Throughput for the Union Rate Zone



| Table 3 | | |
|----------------------|---|--------------|
| <i>Col.1</i> | <i>Col.2</i> | <i>Col.3</i> |
| Calendar Year | UFG Volumes (10³ m³) | UFG % |
| 2001 | 184,102 | 0.673% |
| 2002 | 109,542 | 0.344% |
| 2003 | 108,819 | 0.356% |
| 2004 | 176,650 | 0.554% |
| 2005 | 169,540 | 0.507% |
| 2006 | 154,015 | 0.516% |
| 2007 | 203,713 | 0.609% |
| 2008 | 143,880 | 0.411% |
| 2009 | 201,845 | 0.637% |
| 2010 | 67,283 | 0.192% |
| 2011 | 35,668 | 0.105% |
| 2012 | 68,690 | 0.210% |
| 2013 | 113,997 | 0.320% |
| 2014 | 97,109 | 0.318% |
| 2015 | 54,408 | 0.174% |
| 2016 | 131,588 | 0.427% |
| 2017 | 108,901 | 0.342% |
| 2018 | 136,447 | 0.379% |
| 2019 | 137,652 | 0.376% |
| 2020 | 74,120 | 0.208% |
| 2021 | 252,582 | 0.672% |

5. The 0.219% UFG percentage used in approved rates was determined in EB-2011-0210 using the weighted average of the previous three years actual UFG. At the time 2013 rates were set, the most recent three years actual UFG available was 2009 to 2011. The Board approved methodology uses a 3:2:1 weighting with the most recent year weighted most heavily. The result was a ratio for UFG in rates influenced heavily by 2011's favourable ratio. Concern over the ability to manage UFG relative to the new ratio was a factor in the establishment of a deferral account to capture variances, as was approved in EB-2013-0202.

6. Since the 2013 Board Approved percentage was determined, the average UFG percentage has been 0.356%, for the years of 2013 through 2021. Within that period of 2013 through 2021, the UFG % in 2015 was notably lower than the average, with a corresponding increase in 2016. Similarly, the UFG % in 2020 was lower than the average, with an increase in the UFG % observed in 2021.
7. As was noted in EB-2017-0091 Exhibit B.Staff.9, the increase in UFG volumes experienced in 2016 was primarily driven by a decrease in delivery volumes recorded in January 2016 relating to true-up of estimated consumption recorded in December 2015.
8. A similar decrease and offsetting increase in UFG volumes has been observed between the 2020 and 2021 calendar years. The average UFG % for 2020 and 2021 is 0.440%, which is approximately $163.5 \text{ } 10^3\text{m}^3/\text{year}$ average for the two years. The Company has identified that the true-up of estimated consumption based on the calendarization of UFG volumes has contributed to volatility between 2020 and 2021, but has not resulted in a material increase to the historical average of UFG over the course of two years. Typical estimation true-ups are outlined below.
9. At the end of each reporting period, Enbridge Gas records an estimate of gas delivered but not yet billed. The true-up between the December 2020 estimate and the actual billed volumes resulted in a decrease to the delivery volumes recorded in January 2021. This true-up reflects that, when billings related to December 2020 were completed over the following month, it was determined there was an over-estimate of gas deliveries for December 2020.
10. A second common estimation true-up is known as a prior period adjustment (PPA). PPAs are processed when there is a variance between a billed estimate and actual volumes. The inclusion of PPAs within the annual reported consumption volumes is

consistent with the methodology historically used to calculate actual UFG for the audited Financial Statements, utility rate setting and earnings sharing calculation.

11. The UFG volumes in 2020 were abnormally low compared to the historical average.

The estimation true-up recorded in 2021 caused UFG volumes in 2021 to be elevated. As mentioned, the average of 2020 and 2021 is in line with the historical average of UFG volumes from 2013 to 2021.

12. Enbridge evaluated other factors that could have impacted UFG including, investigating meter reads between custody and check meters for inconsistencies, reviewing accounting processes associated with recording company use and line-pack changes, assessing impacts arising from the transition of Union rate zone customers to the SAP customer information system, and reviewing storage inventory adjustments. These items were deemed to have minimal impact on the elevated level of UFG in 2021. Enbridge is continuing to monitor and address potential contributors to UFG.

13. Volatility in UFG is not uncommon and is experienced across the gas utility industry. The 2019 UFG report prepared by ScottMadden filed in the 2020 Rates Application (EB-2019-0194) noted that:

“....legacy Union and legacy EGD have year-to-year fluctuations in UFG levels that are generally consistent with those of other gas utilities. The fluctuations are a result of many factors, including weather, estimation variation, measurement variation, and billing and accounting adjustments.all gas distribution pipeline systems have UFG as an element of operating a natural gas distribution system and that because of the numerous factors that impact UFG, the UFG percentage will fluctuate over time.”¹

¹ EB-2019-0194, UFG Progress Report, page 4.

14. Enbridge Gas filed the 2019 UFG Study as part of the 2020 rate application (EB-2019-0194). The report found that the primary sources of UFG include physical losses (eg. leaks, third-party damage and venting), metering variations, non-registering meters, theft, line pack and billing and accounting adjustments (such as the estimate of gas delivered but not yet billed required at the end of each reporting period to report results). Although the root causes of UFG are generally known as described above, it continues to be difficult to quantify the individual factors due to their nature. Certain sources of UFG, such as leaks and emissions, contribute to baseline UFG while other sources such as billing, and accounting adjustments contribute to UFG volatility.
15. As committed by the Company in 2020 Rates application (EB 2019-0194), Enbridge Gas will file an update in the 2024 rebasing application about the implementation of the UFG report recommendations and other activities to address UFG, and the impacts of such activities.

UNACCOUNTED FOR GAS (UFG) PRICE VARIANCE ACCOUNT
UNION RATE ZONES

1. The UFG Price Variance Account captures the variance between the average monthly price of the Company's purchases for the Union rate zones and the applicable OEB-approved reference price, applied to the Company's actual UFG volumes for the Union rate zones. During 2021, the Company purchased 63,961 10^3m^3 of gas supply in Union rate zones related to actual UFG volumes on behalf of ratepayers. The actual UFG purchases exclude the actual UFG collected from ratepayers who provide UFG in kind as part of customer supplied fuel (CSF).
2. The average actual cost of the UFG purchases in 2021 is $\$52.52/10^3\text{m}^3$ higher than the OEB-approved reference prices included in rates based on the Union South rate zone gas portfolio cost of $\$141.35/10^3\text{m}^3$. The result is a $\$3.36$ million balance to be collected from ratepayers, as shown in Table 1 below. Table 2 provides the detailed calculation supporting the price variance of $\$52.52/10^3\text{m}^3$.

Table 1
Calculation of 2021 UFG Price Variance

| Line No. | | UFG Volumes (10 ³ m ³) |
|----------|---|--|
| 1 | Experienced UFG ⁽¹⁾ | 270,030 |
| 2 | UFG Collected through CSF | 206,069 |
| 3 | UFG Volumes – Company Supplied ⁽²⁾ | <u>63,961</u> |
| | | <u>Deferral Calculation</u> |
| 4 | UFG Volumes (10 ³ m ³) – Company Supplied ⁽²⁾ | 63,961 |
| 5 | Price Variance (\$/10 ³ m ³) ⁽³⁾ | <u>\$52.52</u> |
| 6 | Variance Account Balance (\$ millions) | <u>\$3.36</u> |

(1) Converted using the following heat values (39.28 Jan-Mar) (39.32 Apr – Dec).

(2) UFG Volumes represent gas supply related to actual UFG volumes on behalf of ratepayers who do not provide UFG in kind as part of CSF.

(3) See Table 2 for the price variance calculation. This represents weighted average actual cost relative to OEB-approved reference prices.

Table 2
Calculation of 2021 Union South Price Variance

| Line No. | Union South Rate Zone | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Average Price |
|----------|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| 1.0 | Board Approved Reference Price (\$ / 10 ³ m ³) | \$ 131.43 | \$ 131.43 | \$ 131.43 | \$ 135.62 | \$ 135.62 | \$ 135.62 | \$ 129.13 | \$ 129.13 | \$ 129.13 | \$ 169.23 | \$ 169.23 | \$ 169.23 | \$ 141.35 |
| 2.0 | Actual Purchase (\$) | \$42,507,900 | \$45,125,048 | \$43,018,711 | \$32,580,518 | \$38,260,250 | \$36,250,196 | \$51,360,970 | \$55,362,122 | \$58,149,557 | \$60,445,476 | \$92,591,845 | \$92,645,865 | |
| 3.0 | Purchase Volumes (10 ³ m ³) | 325,958 | 294,013 | 281,053 | 249,025 | 268,780 | 268,626 | 286,082 | 274,130 | 267,494 | 208,408 | 307,429 | 318,118 | |
| 4.0 | Average Purchase Cost (Union South) (\$ / 10 ³ m ³) | \$ 130.41 | \$ 153.48 | \$ 153.06 | \$ 130.83 | \$ 142.35 | \$ 134.95 | \$ 179.53 | \$ 201.96 | \$ 217.39 | \$ 290.03 | \$ 301.18 | \$ 291.23 | \$ 193.87 |
| 5.0 | Union South Price Variance (\$ / 10 ³ m ³) ⁽¹⁾ | \$ 1.02 | \$ (22.05) | \$ (21.63) | \$ 4.78 | \$ (6.73) | \$ 0.67 | \$ (50.41) | \$ (72.83) | \$ (88.26) | \$ (120.80) | \$ (131.95) | \$ (122.00) | \$ (52.52) |

Notes
(1) Line 1 - Line 4

LOBO C COMPRESSOR/HAMILTON MILTON PIPELINE PROJECT COSTS
DEFERRAL ACCOUNT – UNION RATE ZONES

1. In its Dawn Parkway 2016 Expansion (EB-2014-0261) Decision, the OEB approved the establishment of the Lobo C Compressor/Hamilton-Milton Pipeline Project Costs Deferral Account to track the differences between the actual revenue requirement related to costs for the Project and the revenue requirement included in rates.
2. The balance in this deferral account is a debit from Union Rate Zone ratepayers of \$0.024 million plus interest of \$0.0003 million for a total debit balance of \$0.024 million. The balance of \$0.024 million represents the difference between the revenue requirement of \$26.025 million included in 2021 rates (EB-2020-0095) and the calculation of the actual revenue requirement for 2021 of \$26.049 million as shown in Table 1.

TABLE 1
2021 LOBO C COMPRESSOR/HAMILTON-MILTON PIPELINE PROJECT RATE BASE AND REVENUE REQUIREMENT

| Line No. | Particulars (\$000's) | Col. 1 | Col. 2 | Col. 3 |
|----------|---|----------------------------|---------------------|-----------------------------|
| | | 2021 Board-approved (a) | 2021 Actuals (b) | Difference (c) = (b - a) |
| | <u>Rate Base Investment</u> | | | |
| 1. | Capital Expenditures | - | - | - |
| 2. | Cumulative Capital Expenditures | 347,980 | 347,062 | (918) |
| 3. | Average Investment | 306,868 | 306,005 | (863) |
| | <u>Revenue Requirement Calculation:</u> | | | |
| | <u>Operating Expenses:</u> | | | |
| 4. | Operating and Maintenance Expenses | 863 | 1,104 | 241 |
| 5. | Depreciation Expense (1) | 8,261 | 8,214 | (47) |
| 6. | Property Taxes | 1,210 | 1,056 | (154) |
| 7. | Total Operating Expenses | 10,334 | 10,374 | 40 |
| 8. | Required Return (2) | 16,464 | 16,417 | (47) |
| 9. | Total Operating Expense and Return | 26,798 | 26,791 | (7) |
| | <u>Income Taxes:</u> | | | |
| 10. | Income Taxes - Equity Return (3) | 3,562 | 3,547 | (15) |
| 11. | Income Taxes - Utility Timing Differences (4) | (4,335) | (4,289) | 46 |
| 12. | Total Income Taxes | (773) | (742) | 31 |
| 13. | Total Revenue Requirement | 26,025 | 26,049 | 24 |

Notes:

- (1) Depreciation expense at 2013 Board-approved depreciation rates.
- (2) The required return assumes a capital structure of 64% long-term debt at 3.36% and 36% common equity at the 2013 Board-approved return of 8.93%. The 2021 required return calculation is as follows:
 $\$306.868 \text{ million} \times 64\% \times 3.36\% = \$6.599 \text{ million plus}$
 $\$306.868 \text{ million} \times 36\% \times 8.93\% = \$9.865 \text{ million for a total of } \$16,464 \text{ million.}$
- (3) Taxes related to the equity component of the return at a tax rate of 26.5%.
- (4) Taxes related to utility timing differences are negative as the capital cost allowance deduction in arriving at taxable income exceeds the provision of book depreciation in the year.

1. Average Investment

3. The average investment decrease of \$0.863 million from OEB-approved is due to the cumulative capital expenditures being \$0.918 million lower than OEB-approved capital expenditures.

2. Operating Expenses

4. Operating and maintenance expenses were \$0.241 million higher than the costs included in 2021 OEB-approved rates. The increase is a result of higher salaries/wages related to overtime costs not included in the original budget and pertain to the annual operations and general maintenance of the equipment and assets.

3. Property Tax

5. Property taxes were \$0.154 million lower than costs included in 2021 OEB-approved rates. The decrease is a result of Provincial tax reductions for business education tax rates on commercial, industrial, and pipeline tax in 2021.

LOBO D/BRIGHT C/DAWN H COMPRESSOR PROJECT COSTS
UNION RATE ZONES

1. In its EB-2015-0116 Decision, the OEB approved the establishment of the Lobo D/Bright C/Dawn H Compressor Project Costs Deferral Account to track the differences between the actual revenue requirement related to costs for the Lobo D/Bright C/Dawn H Compressor Project and the revenue requirement included in rates.
2. The balance in this deferral account is a credit to Union Rate Zone ratepayers of \$0.112 million plus interest of \$0.004 million, for a total credit balance of \$0.116 million. The balance of \$0.116 million includes a debit of \$1.225 million which represents the difference between the revenue requirement of \$45.154 million included in 2021 rates (EB-2020-0095) and the calculation of the actual revenue requirement for 2021 of \$46.379 million as shown in Table 1.
3. A \$1.337 million credit relates to the 2021 revenue generated from the sale of surplus Dawn Parkway system capacity of 30,393 GJ/day associated with the Lobo D/Bright C/Dawn H Compressor Project. In accordance with the 2018 Disposition of Deferral and Variance Account Balances and Utility Earnings proceeding (EB-2019-0105) approved Settlement Proposal, the surplus capacity is deemed to be sold long-term and the revenue credit for the 2021 year is calculated based on the M12 Dawn-Parkway rate of \$3.665/GJ approved in the EB-2020-0181 Rate Order, dated May 18, 2021. A schedule supporting the 2021 revenue calculation is provided at Exhibit E, Tab 1, Schedule 7.

TABLE 1

2021 DAWN H/LOBO D/BRIGHT C COMPRESSOR PROJECT RATE BASE AND REVENUE REQUIREMENT

| Line No. | Particulars (\$000's) | Col. 1 | Col. 2 | Col. 3 |
|----------|---|----------------------------|---------------------|-----------------------------|
| | | 2021 Board-approved (a) | 2021 Actuals (b) | Difference (c) = (b - a) |
| | <u>Rate Base Investment</u> | | | |
| 1. | Capital Expenditures | - | - | - |
| 2. | Cumulative Capital Expenditures | 622,500 | 620,050 | (2,450) |
| 3. | Average Investment | 552,367 | 551,923 | (444) |
| | <u>Revenue Requirement Calculation:</u> | | | |
| | <u>Operating Expenses:</u> | | | |
| 4. | Operating and Maintenance Expenses | 1,761 | 2,675 | 914 |
| 5. | Depreciation Expense (1) | 17,418 | 17,437 | 19 |
| 6. | Property Taxes | 1,089 | 1,031 | (58) |
| 7. | Total Operating Expenses | 20,268 | 21,143 | 875 |
| 8. | Required Return (2) | 29,388 | 29,364 | (24) |
| 9. | Total Operating Expense and Return | 49,656 | 50,507 | 851 |
| | <u>Income Taxes:</u> | | | |
| 10. | Income Taxes - Equity Return (3) | 6,402 | 6,397 | (5) |
| 11. | Income Taxes - Utility Timing Differences (4) | (10,905) | (10,526) | 379 |
| 12. | Total Income Taxes | (4,503) | (4,129) | 374 |
| 13. | Total Revenue Requirement | 45,154 | 46,379 | 1,225 |

Notes:

- (1) Depreciation expense at 2013 Board-approved depreciation rates.
- (2) The required return assumes a capital structure of 64% long-term debt at 3.29% and 36% common equity at the 2013 Board-approved return of 8.93%. The 2021 required return calculation is as follows:
 $\$552.367 \text{ million} \times 64\% \times 3.29\% = \$11.631 \text{ million plus}$
 $\$552.367 \text{ million} \times 36\% \times 8.93\% = \$17.757 \text{ million for a total of } \29.388 million.
- (3) Taxes related to the equity component of the return at a tax rate of 26.5%.
- (4) Taxes related to utility timing differences are negative as the capital cost allowance deduction in arriving at taxable income exceeds the provision of book depreciation in the year.

1. Average Investment

4. The average investment decrease of \$0.444 million from OEB-approved is due to the cumulative capital expenditures being \$2.450 million lower than OEB-approved.

2. Operating Expenses

5. Operating and maintenance expenses were \$0.914 million higher than the costs included in 2021 OEB-approved rates. The increase is a result of higher salaries/wages as the budget did not account for overtime costs, higher general maintenance costs than budgeted, and higher utility costs than budgeted. Salary/wages costs were not capitalized or captured in contingency costs as they were incurred for the annual operations and general maintenance of the equipment and assets. Table 2 shows the breakdown and comparison of actual 2021 operating and maintenance costs versus OEB-approved.

TABLE 2
2021 DAWN H/LOBO D/BRIGHT C COMPRESSOR OPERATING AND MAINTENANCE
EXPENSES

| Line No. | Particulars (\$Millions) | Col. 1 | Col. 2 | Col. 3 |
|-------------|-------------------------------|--------------------------------|------------------------|-----------------------------|
| | | 2021 Board- approved (a) | 2021 Actuals (b) | Difference (c) = (b - a) |
| 1. | Salaries & Wages | 870 | 1,285 | 415 |
| 2. | HR Costs | 392 | 576 | 184 |
| 3. | Fleet Costs | 131 | 193 | 62 |
| 4. | Training, Travel and PE | 67 | 12 | (55) |
| 5. | Other O&M (Contract Services) | 165 | 307 | 142 |
| 6. | Company Used Fuel | 73 | - | (73) |
| 7. | Utility Costs | 63 | 302 | 239 |
| 8. | Total Capital Expenditures | 1,761 | 2,675 | 914 |

3. Income Taxes

6. The \$0.379 million decrease in "Income Taxes – Utility Timing Difference" credit relates to a lower Capital Cost Allowance (CCA) deduction due to the lower average investment in 2021, versus OEB-approved, as well as lower CCA available on additions that were previously qualified for Bill C-97 accelerated CCA.

BURLINGTON OAKVILLE PROJECT COSTS DEFERRAL ACCOUNT

UNION RATE ZONES

1. In its EB-2015-0116 Decision, the OEB approved the establishment of the Burlington Oakville Project Costs Deferral Account to track the differences between the actual revenue requirement related to costs for the Project and the revenue requirement included in rates.
2. The balance in this deferral account is a credit to Union rate zone ratepayers of \$0.051 million plus interest of \$0.0004 million for a total credit balance of \$0.051 million. The balance of \$0.051 million represents the difference between the revenue requirement of \$5.707 million included in 2021 rates (EB-2020-0095) and the calculation of the actual revenue requirement for 2021 of \$5.656 million as shown in Table 1. The small decline in the actual revenue requirement results from minor underages in the capital cost and operating costs of the project.

TABLE 1
2021 BURLINGTON OAKVILLE PIPELINE PROJECT RATE BASE AND REVENUE REQUIREMENT

| Line No. | Particulars (\$000's) | Col. 1 2021 Board- approved (a) | Col. 2 2021 Actuals (b) | Col. 3 Difference (c) = (b - a) |
|---|---|--|----------------------------------|---------------------------------------|
| <u>Rate Base Investment</u> | | | | |
| 1. | Capital Expenditures | - | - | - |
| 2. | Cumulative Capital Expenditures | 83,349 | 83,262 | (87) |
| 3. | Average Investment | 74,814 | 74,725 | (89) |
| <u>Revenue Requirement Calculation:</u> | | | | |
| <u>Operating Expenses:</u> | | | | |
| 4. | Operating and Maintenance Expenses | 17 | - | (17) |
| 5. | Depreciation Expense (1) | 1,732 | 1,737 | 5 |
| 6. | Property Taxes | 134 | 116 | (18) |
| 7. | Total Operating Expenses | 1,883 | 1,853 | (30) |
| 8. | Required Return (2) | 4,014 | 4,009 | (5) |
| 9. | Total Operating Expense and Return | 5,897 | 5,862 | (35) |
| <u>Income Taxes:</u> | | | | |
| 10. | Income Taxes - Equity Return (3) | 868 | 866 | (2) |
| 11. | Income Taxes - Utility Timing Differences (4) | (1,058) | (1,072) | (14) |
| 12. | Total Income Taxes | (190) | (206) | (16) |
| 13. | Total Revenue Requirement | 5,707 | 5,656 | (51) |

Notes:

- (1) Depreciation expense at 2013 Board-approved depreciation rates.
- (2) The required return assumes a capital structure of 64% long-term debt at 3.36% and 36% common equity at the 2013 Board-approved return of 8.93%. The 2021 required return calculation is as follows:
 $\$74.814 \text{ million} \times 64\% \times 3.36\% = \$1.609 \text{ million plus}$
 $\$74.814 \text{ million} \times 36\% \times 8.93\% = \$2.405 \text{ million for a total of } \4.014 million.
- (3) Taxes related to the equity component of the return at a tax rate of 26.5%.
- (4) Taxes related to utility timing differences are negative as the capital cost allowance deduction in arriving at taxable income exceeds the provision of book depreciation in the year.

2021 ONTARIO ENERGY BOARD COST ASSESSMENT VARIANCE ACCOUNT
UNION RATE ZONES

1. The purpose of the 2021 Ontario Energy Board Cost Assessment Variance Account (OEBCAVA) was to record any variances between the OEB costs assessed to Enbridge Gas (relevant to the Union rate zones) through application of the revised Cost Assessment Model (CAM), which became effective April 1, 2016, and the OEB costs which were included in Union rate zones rates, which were determined through application of the prior CAM. The scope of the account is consistent with prior OEBCAVAs. However, in accordance with the EB-2020-0134 OEB-approved Settlement Proposal, in Enbridge Gas's 2019 Earnings Sharing and Deferral Disposition proceeding, the base OEB costs assumed to be included in rates have been escalated to reflect the growth in the amount recovered through rates, which results from annual price cap adjustments and customer growth. The OEBCAVA was originally approved for establishment by OEB letter dated February 9, 2016, entitled: *Revisions to the Ontario Energy Board Cost Assessment Model*.
2. The amount recorded within the 2021 OEBCAVA is a \$0.907 million debit plus interest of \$0.011 million for a total debit balance of \$0.919 million. This amount reflects the variance between OEB costs assessed to Enbridge Gas (relevant to Union rate zones) in each quarter of fiscal 2021, utilizing the revised CAM, and Union's average quarterly OEB cost assessment under the prior CAM, escalated in accordance with the EB-2020-0134 OEB-approved Settlement Proposal.
3. In order to calculate the amount to be recovered through the 2021 Union rate zones OEBCAVA, the Company first needed to apportion the actual 2021 OEB assessed costs between the legacy rate zones. Commencing with the OEB's 2019/2020 fiscal

first quarter assessment (for the period April 1, 2019 through June 30, 2019), and continuing since, EGI has been receiving one consolidated quarterly bill for the amalgamated utility. To apportion the quarterly assessments received in 2021 between rate zones, the assessments were prorated based on the total invoices received by each legacy utility for the OEB's 2018/2019 fiscal year (for the period April 1, 2018 through March 31, 2019), the final year for which the OEB issued invoices to each legacy utility. Table 1 below shows the proration of the OEB's 2018/2019 fiscal year assessments between each legacy utility/rate zone (59.76% EGD rate zone, 40.24% Union rate zones). Table 2 shows the apportionment of EGI's 2021 assessed costs to the Union rate zones, and the calculation of the amount recorded in the 2021 Union rate zones OEBCAVA.

4. To calculate the amount for recovery through the 2021 Union rate zones OEBCAVA, the Company also needed to establish the base comparator, reflecting the OEB costs included in Union rate zones rates, determined through application of the prior Cost Assessment Model. In accordance with the EB-2020-0134 OEB approved Settlement Proposal, the amount reflected in rates is also to be increased, or escalated, to reflect the growth in the amount recovered as a result of annual price cap adjustments and customer growth. To establish the 2021 base comparator, the Company escalated the 2020 quarterly comparator of \$0.718 million by the sum of the 2021 Price Cap Index (PCI) of 1.70%, and the Union rate zones ICM threshold calculation Growth Factor (g) of 1.46%, which were approved as part of EGI's 2021 Rate Application, EB-2020-0181. The escalation resulted in a 2021 quarterly comparator of \$0.741 million ($\$0.718 \text{ million} * (1 + (1.70\% + 1.46\%))$). As noted above, Table 2 below shows the apportionment of EGI's actual 2021 assessed costs to the Union rate zones, and the calculation of the amount recorded in the 2021 Union rate zones OEBCAVA utilizing a base comparator of \$0.741 million.

5. Within this proceeding, the Company is requesting clearance of the principal and interest balances recorded in the 2021 OEBCAVA, in the amount of \$0.907 million and \$0.011 million respectively, as shown in Exhibit C, Tab 1, Schedule 1.

Table 1

OEB 2018/2019 Cost Assessments

| | <u>EGD</u> | <u>UGL</u> | <u>Total</u> |
|-------------------------|---------------------|---------------------|---------------------|
| Apr. 1 to Jun. 30, 2018 | 1,467,963.00 | 988,479.00 | 2,456,442.00 |
| Jul. 1 to Sep. 30, 2018 | 1,356,860.00 | 913,873.00 | 2,270,733.00 |
| Oct. 1 to Dec. 31, 2018 | 1,356,860.00 | 913,873.00 | 2,270,733.00 |
| Jan. 1 to Mar. 31, 2019 | 1,356,860.00 | 913,873.00 | 2,270,733.00 |
| | <u>5,538,543.00</u> | <u>3,730,098.00</u> | <u>9,268,641.00</u> |
| Percentage of Total | 59.76% | 40.24% | 100.00% |

Table 2

Calculation of 2021 UGL RZ OEBCAVA

| <u>Period</u> | <u>EGI Assessment</u> | <u>UGL Rate Zones Share (40.24%)</u> | <u>Average cost assessment Comparator</u> | <u>Variance to UGL Rate Zone OEBCAVA</u> |
|-------------------------|-----------------------|--------------------------------------|---|--|
| Jan. 1 to Mar. 31, 2021 | 2,497,219.00 | 1,004,987.85 | 741,052.94 | 263,934.91 |
| Apr. 1 to Jun. 30, 2021 | 2,364,191.00 | 951,451.69 | 741,052.94 | 210,398.75 |
| Jul 1 to Sep. 30, 2021 | 2,379,076.00 | 957,442.05 | 741,052.94 | 216,389.11 |
| Oct. 1 to Dec. 31, 2021 | 2,379,076.00 | 957,442.05 | 741,052.94 | 216,389.11 |
| | | | | <u>907,111.89</u> |

2021 BASE SERVICE NORTH T-SERVICE TRANSCANADA CAPACITY DEFERRAL
ACCOUNT – UNION RATE ZONE

1. In the EB-2015-0181 decision, the OEB approved a new optional Union North T-service Transportation from Dawn to allow T-service customers in the Union North East Zone with access to Dawn-based supply. To facilitate this service, Enbridge Gas was required to contract for 15-year transportation capacity with TransCanada from Parkway to the Union CDA, Union NCDA and Union EDA. The approved rates for the service are equal to the EGI C1 rate from Dawn to Parkway and the TransCanada Firm Transportation (FT) toll to Delivery Area.
2. The purpose of the North T-service TransCanada Capacity Deferral Account is to record the difference between the costs for the capacity from Parkway to the northern Delivery Area as part of the Base Service offering of the North T-Service Transportation from Dawn and the demand revenues collected from the North T-Service customers.
3. The total cost Enbridge Gas paid for the contracted TransCanada capacity in 2021 was \$2.172 million or \$180,961.81 per month. On an actual basis, the Company collected \$2.088 million demand revenues from the North T-service customers. As a result, the balance of the 2021 North T-service TransCanada Capacity Deferral Account is a collection from ratepayers of \$0.084 million plus interest of \$0.0001 million and the balance will be cleared amongst all North T-service from Dawn customers. The variance is driven by a net reduction of 313 GJ/day of contracted capacity by North T-service customers.

PANHANDLE REINFORCEMENT PROJECT COSTS DEFERRAL ACCOUNT
UNION RATE ZONES

1. In its Panhandle Reinforcement Project (EB-2016-0186) Decision, the OEB approved the establishment of the Panhandle Reinforcement Project Costs Deferral Account to track the differences between the actual net revenue requirement related to costs for the Project and the net revenue requirement included in rates.
2. The balance in this deferral account is a credit to Union rate zone ratepayers of \$3.162 million plus interest of \$0.021 million for a total credit balance of \$3.183 million. The balance of \$3.162 million represents the difference between the net revenue requirement of \$10.701 million included in 2021 rates (EB-2020-0095) and the calculation of the actual net revenue requirement for 2021 of \$7.539 million as shown in Table 1.

TABLE 1
2021 PANHANDLE REINFORCEMENT PROJECT RATE BASE AND REVENUE REQUIREMENT

| | Col. 1 | Col. 2 | Col. 3 |
|----------|---|----------------------------|--|
| Line No. | Particulars (\$000's) | 2021 Board-approved (a) | 2021 Actuals (b) Difference (c) = (b - a) |
| | <u>Rate Base Investment</u> | | |
| 1. | Capital Expenditures | - | - |
| 2. | Cumulative Capital Expenditures | 232,844 | 228,574 (4,270) |
| 3. | Average Investment | 213,957 | 209,844 (4,113) |
| | <u>Revenue Requirement Calculation:</u> | | |
| | <u>Operating Expenses:</u> | | |
| 4. | Operating and Maintenance Expenses | 16 | - (16) |
| 5. | Depreciation Expense (1) | 4,944 | 4,921 (23) |
| 6. | Property Taxes | 1,812 | 1,590 (222) |
| 7. | Total Operating Expenses | 6,773 | 6,511 (262) |
| 8. | Required Return (2) | 11,383 | 11,165 (218) |
| 9. | Total Operating Expense and Return | 18,156 | 17,676 (480) |
| | <u>Income Taxes:</u> | | |
| 10. | Income Taxes - Equity Return (3) | 2,480 | 2,432 (48) |
| 11. | Income Taxes - Utility Timing Differences (4) | (3,691) | (3,693) (2) |
| 12. | Total Income Taxes | (1,211) | (1,261) (50) |
| 13. | Total Revenue Requirement | 16,945 | 16,415 (530) |
| 14. | Incremental Project Revenue | 6,243 | 8,876 2,633 |
| 15. | Net Revenue Requirement | 10,701 | 7,539 (3,162) |

Notes:

- (1) Depreciation expense at 2013 Board-approved depreciation rates.
- (2) common equity at the 2013 Board-approved return of 8.93%. The 2021 required return calculation is as follows:
 $\$213.957 \text{ million} \times 64\% \times 3.29\% = \$4.505 \text{ million plus}$
 $\$213.957 \text{ million} \times 36\% \times 8.93\% = \$6.878 \text{ million for a total of } \11.383 million.
- (3) Taxes related to the equity component of the return at a tax rate of 26.5%.
- (4) Taxes related to utility timing differences are negative as the capital cost allowance deduction in arriving at taxable income exceeds the provision of book depreciation in the year.

1. Average Investment

3. The average investment decrease of \$4.113 million from OEB-approved is due to the cumulative capital expenditures being \$4.270 million lower than OEB-approved.

2. Property Tax

4. Property taxes were \$0.222 million lower than costs included in 2021 OEB-approved rates. The decrease is a result of Provincial tax reductions for business education tax rates on commercial, industrial, and pipeline tax in 2021.

3. Required Return

5. The decrease in the required return of \$0.218 million is the result of a decrease in the average rate base.

4. Incremental Project Revenue

6. The actual incremental revenue of \$8.876 million reflects the continued addition of new customers and expansion by existing customers in the Panhandle market, primarily in the greenhouse sector and is \$2.633 million higher than the forecast incremental revenue included in 2021 Rates.

2021 PENSION AND OPEB FORECAST ACCRUAL VS ACTUAL CASH PAYMENT
DIFFERENTIAL VARIANCE ACCOUNT – UNION RATE ZONES

1. In its EB-2015-0040 report to all regulated entities, dated September 14, 2017, titled *“Regulatory Treatment of Pension and Other Post-employment Benefits (OPEB) Costs”*, the OEB ordered the establishment of the deferral account, effective January 1, 2018, to be used by utilities that are approved to recover their pension and OPEB costs on an accrual basis¹. The Company recovers its pension and OPEB costs on an accrual basis.
2. The purpose of the Pension and OPEB Forecast Accrual vs Actual Cash Payment Differential Variance Account is to track the differences between forecast accrual pension and OPEB amounts recovered in rates, and the actual cash payments made for both pension and OPEB, on a go-forward basis from the date the account was established.
3. In 2021, the accrual pension and OPEB amount recovered in rates for the Union rate zones was \$47.4 million and the actual cash payments made for both pension and OPEB were \$22.6 million, resulting in an annual \$24.8 million credit variance. The variance carried forward from 2020 is a \$50.4 million credit variance, resulting in a cumulative \$75.2 million credit variance through 2021.
4. In accordance with the OEB’s Report (EB-2015-0040), when the cumulative forecasted accrual amount recovered in rates exceeds the cumulative actual cash payments, an asymmetrical carrying charge, to be returned to ratepayers, should be accrued based on the opening monthly difference between amount recovered in

¹ EB-2015-0040, *Regulatory Treatment of Pension and Other Post-employment Benefits (“OPEB”) Costs*, September 14, 2017, page 2.

rates and actual cash payments. The balance in the account for 2021 is an interest credit to ratepayers of \$1.346 million to December 31, 2021². Table 1 sets out the detailed calculation of the forecast accrual versus actual cash payments, and associated interest.

TABLE 1

DETAILS OF 2021 INTEREST CALCULATED ON FORECAST ACCRUALS VS ACTUAL CASH PAYMENTS
IN PENSION AND OPEB VARIANCE ACCOUNT (NO. 179-157)

| Particulars (\$000's) | 20-Dec | 21-Jan | 21-Feb | 21-Mar | 21-Apr | 21-May | 21-Jun | 21-Jul | 21-Aug | 21-Sep | 21-Oct | 21-Nov | 21-Dec | Total |
|--------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Forecast accrual amounts | | 3,951 | 3,951 | 3,951 | 3,951 | 3,951 | 3,951 | 3,951 | 3,951 | 3,951 | 3,951 | 3,951 | 3,951 | 47,416 |
| Actual cash payments | | 4,351 | 506 | 982 | 5,796 | 181 | 937 | 3,133 | 155 | 997 | 4,138 | 43 | 1,394 | 22,614 |
| Monthly variance | | 400 | -3,445 | -2,970 | 1,845 | -3,770 | -3,015 | -818 | -3,797 | -2,954 | 187 | -3,908 | -2,557 | -24,803 |
| Cumulative variance | -50,367 | -49,967 | -53,412 | -56,382 | -54,537 | -58,307 | -61,322 | -62,140 | -65,936 | -68,891 | -68,704 | -72,612 | -75,169 | |
| OEB prescribed CWIP rate | | 2.03 | 2.03 | 2.03 | 2.29 | 2.29 | 2.29 | 2.29 | 2.29 | 2.29 | 2.29 | 2.29 | 2.29 | |
| Asymmetrical interest | | -87 | -78 | -92 | -106 | -109 | -111 | -117 | -119 | -126 | -131 | -131 | -139 | -1,346 |

² Interest is as of December 31, 2021, as interest on this account is calculated on a cumulative account balance basis.

ACCOUNTS WITH A ZERO BALANCE

UNION RATE ZONES

1. The following 2021 accounts for the Union rate zones have no balance, and are therefore not requested for clearance to customers:

- Spot Gas Variance Account
- Unbundled Services Unauthorized Storage Overrun Deferral Account
- Gas Distribution Access Rule (GDAR) Costs Deferral Account
- Conservation Demand Management Deferral Account
- Sudbury Replacement Project Costs Deferral Account
- Parkway Obligation Rate Variance Deferral Account
- Unauthorized Overrun Non-Compliance Account

TRANSPORTATION OPTIMIZATION DEFERRAL ACCOUNT - UNION RATE ZONES

| Line No. | Particulars | Col. 1 | Col. 2 | Col. 3 |
|-------------|--|-------------------------------------|-----------------------------------|-----------------------------------|
| | | 2013 Board Approved (\$000's) | 2020 Actual Total (\$000's) | 2021 Actual Total (\$000's) |
| 1. | Base Exchange Revenue | (9,118.00) | (4,243.99) | (7,528.52) |
| 2. | FT RAM Exchange Revenue | (5,800.00) | | |
| 3. | Total Exchange Revenue | (14,918.00) | (4,243.99) | (7,528.52) |
| 4. | Exchange Revenue Subject to Deferral | | (4,243.99) | (7,528.52) |
| 5. | Ratepayer portion - 90% | (13,426.20) | (3,819.59) | (6,775.67) |
| 6. | 10% Union Incentive Payment | | (424.40) | (752.85) |
| 7. | Less: Gas Supply Optimization Margin in Rates | 13,426.00 | 15,943.18 | 15,391.98 |
| 8. | 2021 Deferral Account Balance receivable from Ratepayers | | 12,123.59 | 8,616.31 |

BREAKDOWN OF SHORT TERM STORAGE DEFERRAL ACCOUNT (STSDA) - UNION RATE ZONES

| Line No. | Particulars (\$000's) | Col. 1 | Col. 2 | Col. 3 |
|----------|---|------------------------|----------------|----------------|
| | | Board-Approved 2013 | Actual 2020 | Actual 2021 |
| | Revenue | | | |
| 1. | C1 Off-Peak Storage | 500 | 1,002 | 433 |
| 2. | Supplemental Balancing Services | 2,000 | 1,016 | 640 |
| 3. | Gas Loans | | 1 | 1 |
| 4. | LBA | | 0 | 0 |
| 5. | | 2,500 | 2,019 | 1,075 |
| 6. | C1 ST Firm Peak Storage | 7,883 | 2,715 | 1,536 |
| 7. | Total Revenue ⁽¹⁾ | 10,383 | 4,735 | 2,610 |
| | Costs | | | |
| 8. | O&M ⁽²⁾ | 3,810 | 782 | 1,004 |
| 9. | UFG ⁽³⁾ | 316 | 114 | 266 |
| 10. | Compressor Fuel ⁽⁴⁾ | 1,201 | 196 | 257 |
| 11. | Total Costs | 5,327 | 1,091 | 1,528 |
| 12. | Net Revenue (line 7 - 11) | 5,056 | 3,644 | 1,082 |
| 13. | Less Shareholder Portion (10%) | 505 | 364 | 108 |
| 14. | Ratepayer Portion | 4,551 | 3,279 | 974 |
| 15. | Approved in Rates | 4,551 | 4,551 | 4,551 |
| 16. | Deferral balance payable to / (collectable from) ratepayers | (0) | (1,272) | (3,577) |

Notes:

- (1) Based on short-term storage services provided
- (2) Revenue Requirement on 11.3 PJ's of board approved excess in-franchise storage capacity
- (3) Based on short-term storage volumes in proportion to total volumes
- (4) Based on short-term storage activity in proportion to total actual storage activity

ENBRIDGE GAS INC.
2021 Storage Space & Deliverability

| Line No. | Particulars | 2021 (1) | |
|----------|--|-------------------|----------------------------|
| | | Storage Space (2) | Storage Deliverability (2) |
| | | (PJ) (a) | (GJ/d) (b) |
| | <u>Union North Rate Zone</u> | | |
| 1 | Rate 01 | 12.2 | 212,035 |
| 2 | Rate 10 | 2.9 | 60,957 |
| 3 | Rate 20 | 2.4 | 35,273 |
| 4 | Rate 25 | - | - |
| 5 | Rate 100 | 0.1 | 1,139 |
| 6 | Total Union North Rate Zone | <u>17.5</u> | <u>309,405</u> |
| | <u>Union South Rate Zone</u> | | |
| 7 | Rate M1 | 40.0 | 990,924 |
| 8 | Rate M2 | 10.6 | 318,002 |
| 9 | Rate M4 | 2.9 | 174,198 |
| 10 | Rate M5 | 0.0 | 291 |
| 11 | Rate M7 | 2.1 | 67,205 |
| 12 | Rate M9 | 0.3 | 9,448 |
| 13 | Rate M10 | 0.0 | 145 |
| 14 | Rate T1 | 1.5 | 40,947 |
| 15 | Rate T2 | 9.3 | 200,945 |
| 16 | Rate T3 | 3.2 | 70,931 |
| 17 | Total Union South Rate Zone | <u>70.0</u> | <u>1,873,036</u> |
| | <u>Ex-Franchise</u> | | |
| 18 | Excess Utility Storage | 3.0 (3) | 35,816 |
| 19 | Rate C1 | - | - |
| 20 | Rate M12 | - | - |
| 21 | Rate M13 | - | - |
| 22 | Rate M16 | - | - |
| 23 | Total Ex-Franchise | <u>3.0</u> | <u>35,816</u> |
| 24 | System Integrity Space | 9.5 | - |
| 25 | Total Union Rate Zone | <u>100.0</u> | <u>2,218,257</u> |
| | <u>EGD Rate Zone</u> | | |
| 26 | Rate 1 | 61.2 | 1,208,141 |
| 27 | Rate 6 | 58.7 | 962,711 |
| 28 | Rate 9 | - | - |
| 29 | Rate 100 | - | - |
| 30 | Rate 110 | 2.2 | 5,076 |
| 31 | Rate 115 | 0.5 | 2,013 |
| 32 | Rate 125 | - | - |
| 33 | Rate 135 | - | - |
| 34 | Rate 145 | 0.3 | - |
| 35 | Rate 170 | 0.8 | - |
| 36 | Rate 200 | 2.0 | 20,355 |
| 37 | Total EGD Rate Zone | <u>125.8</u> | <u>2,198,296</u> |
| 38 | Total Enbridge Gas (line 25 + line 37) | <u>225.8</u> | <u>4,416,553</u> |

Notes:

- (1) Allocation to rate classes using OEB-approved cost allocation methodologies.
- (2) Union rate zone storage space based on actual W21/22 usage and storage deliverability based on forecast W21/22 requirements. EGD rate zone storage space and deliverability based on 2021 Gas Supply plan.
- (3) EB-2022-0110, Exhibit E, Tab 1, page 6.

SUMMARY OF NON-UTILITY STORAGE BALANCES - UNION RATE ZONES

| <u>Date</u> | <u>Entitlement</u> (PJ) | <u>Balance</u> (PJ) | <u>% Full</u> (%) | <u>Date</u> | <u>Entitlement</u> (PJ) | <u>Balance</u> (PJ) | <u>% Full</u> (%) |
|-------------|----------------------------|------------------------|----------------------|-------------|----------------------------|------------------------|----------------------|
| 1-Oct-21 | 127.6 | 118.8 | 93.1% | 1-Nov-21 | 127.6 | 121.4 | 95.1% |
| 2-Oct-21 | 127.6 | 119.0 | 93.2% | 2-Nov-21 | 127.6 | 121.4 | 95.2% |
| 3-Oct-21 | 127.6 | 118.9 | 93.2% | 3-Nov-21 | 127.6 | 121.2 | 95.0% |
| 4-Oct-21 | 127.6 | 118.6 | 93.0% | 4-Nov-21 | 127.6 | 121.2 | 95.0% |
| 5-Oct-21 | 127.6 | 118.5 | 92.9% | 5-Nov-21 | 127.6 | 121.4 | 95.2% |
| 6-Oct-21 | 127.6 | 118.6 | 93.0% | 6-Nov-21 | 127.6 | 121.6 | 95.3% |
| 7-Oct-21 | 127.6 | 118.7 | 93.0% | 7-Nov-21 | 127.6 | 121.8 | 95.4% |
| 8-Oct-21 | 127.6 | 118.7 | 93.0% | 8-Nov-21 | 127.6 | 121.7 | 95.4% |
| 9-Oct-21 | 127.6 | 118.9 | 93.2% | 9-Nov-21 | 127.6 | 122.2 | 95.8% |
| 10-Oct-21 | 127.6 | 119.0 | 93.3% | 10-Nov-21 | 127.6 | 122.9 | 96.3% |
| 11-Oct-21 | 127.6 | 119.2 | 93.4% | 11-Nov-21 | 127.6 | 123.8 | 97.0% |
| 12-Oct-21 | 127.6 | 119.2 | 93.4% | 12-Nov-21 | 127.6 | 124.5 | 97.6% |
| 13-Oct-21 | 127.6 | 119.3 | 93.5% | 13-Nov-21 | 127.6 | 125.1 | 98.1% |
| 14-Oct-21 | 127.6 | 119.3 | 93.5% | 14-Nov-21 | 127.6 | 125.2 | 98.1% |
| 15-Oct-21 | 127.6 | 119.4 | 93.6% | 15-Nov-21 | 127.6 | 125.2 | 98.1% |
| 16-Oct-21 | 127.6 | 119.6 | 93.8% | 16-Nov-21 | 127.6 | 125.4 | 98.3% |
| 17-Oct-21 | 127.6 | 119.7 | 93.9% | 17-Nov-21 | 127.6 | 125.9 | 98.7% |
| 18-Oct-21 | 127.6 | 119.7 | 93.9% | 18-Nov-21 | 127.6 | 126.1 | 98.9% |
| 19-Oct-21 | 127.6 | 119.7 | 93.8% | 19-Nov-21 | 127.6 | 125.9 | 98.7% |
| 20-Oct-21 | 127.6 | 119.7 | 93.9% | 20-Nov-21 | 127.6 | 125.9 | 98.7% |
| 21-Oct-21 | 127.6 | 119.8 | 93.9% | 21-Nov-21 | 127.6 | 125.9 | 98.7% |
| 22-Oct-21 | 127.6 | 119.8 | 93.9% | 22-Nov-21 | 127.6 | 125.1 | 98.1% |
| 23-Oct-21 | 127.6 | 119.9 | 94.0% | 23-Nov-21 | 127.6 | 124.3 | 97.4% |
| 24-Oct-21 | 127.6 | 120.1 | 94.1% | 24-Nov-21 | 127.6 | 124.1 | 97.3% |
| 25-Oct-21 | 127.6 | 120.1 | 94.1% | 25-Nov-21 | 127.6 | 124.0 | 97.2% |
| 26-Oct-21 | 127.6 | 120.2 | 94.2% | 26-Nov-21 | 127.6 | 123.9 | 97.1% |
| 27-Oct-21 | 127.6 | 120.3 | 94.3% | 27-Nov-21 | 127.6 | 123.5 | 96.8% |
| 28-Oct-21 | 127.6 | 120.6 | 94.5% | 28-Nov-21 | 127.6 | 122.9 | 96.3% |
| 29-Oct-21 | 127.6 | 120.9 | 94.8% | 29-Nov-21 | 127.6 | 122.2 | 95.8% |
| 30-Oct-21 | 127.6 | 121.1 | 94.9% | 30-Nov-21 | 127.6 | 121.7 | 95.4% |
| 31-Oct-21 | 127.6 | 121.3 | 95.1% | | | | |

**ALLOCATION OF SHORT TERM PEAK STORAGE REVENUES
BETWEEN UTILITY AND NON UTILITY - UNION RATE ZONES**

| Line No. | Particulars | Utility Storage Space (PJs) | Short Term Peak Storage Sold (PJs) | Revenue from Short Term Peak Storage (\$ millions) |
|-------------|---|--------------------------------------|---|--|
| 1 | Net Revenues from Short Term Peak Storage | | | 1.5 |
| 2 | Total Short Term Peak Storage Sales | | 3.0 | |
| 3 | Storage Space reserved for Utility | 100.0 | | |
| 4 | Utility Space Requirement | 97.0 | | |
| 5 | Excess Utility Storage Space ⁽¹⁾ | 3.0 | | |
| 6 | Total Utility Short Term Peak Storage Sales ⁽²⁾ | | 3.0 | |
| 7 | Total Non Utility Short Term Peak Storage Sales | | 0.0 | |
| 8 | Short Term Peak Storage Net Revenues - Utility ⁽³⁾ | | | 1.5 |
| 9 | Short Term Peak Storage Net Revenues - Non Utility ⁽⁴⁾ | | | - |

Notes:

(1) line 3 - line 4

(2) line 2

(3) line 6 /line 2 *line

(4) line 7/ line 2* line 1

DEFERRAL VARIANCE CLEARING ACCOUNT - UNION RATE ZONES
2019 ESM (EB-2020-0134), 2017-2018 DSM (EB-2020-0067)
DISPOSITIONS DISPOSED OF DURING 2021

| Line No. | Particulars (\$000) | 2021 | | | Total (d) = (a) + (b) + (c) |
|-------------|---|---|--|---------------------|--------------------------------|
| | | 2019 ESM Deferral EB-2020-0134 (a) | 2017-18 DSM Deferral EB-2020-0067 (b) | Interest (1) (c) | |
| 1. | Prospective Recovery/(Refund) - Delivery | (2,233) | (1,990) | (63) | (4,285) |
| 2. | Prospective Recovery/(Refund) - Gas Supply Transportation | (1,447) | | (21) | (1,469) |
| 3. | Prospective Recovery/(Refund) - Gas Supply Commodity | 1,698 | | 25 | 1,723 |
| 4. | Sub-Total | (1,982) | (1,990) | (59) | (4,030) |
| 5. | Manual Re-bills and other one-time billing adjustments | | | | 20 |
| 6. | Grand Total | | | | (4,010) |

(1) Interest forecasted to December 31, 2022.

DEFERRAL VARIANCE CLEARING ACCOUNT - UNION RATE ZONES
2017/2018 DSM DEFERRAL DISPOSITION (EB-2020-0067)
DISPOSITION PERIOD - APRIL 1, 2021 TO SEPTEMBER 30, 2021

| | | 2021 | | | | | | | | |
|--|--|------------|--------------------------------|--------------------------|----------------------------|---|---|---|---|---------------------|
| Line No. | Particulars | Rate Class | Forecast Volume (10³m³) (1) | Actual Volume (10³m³) | Volume Variance (10³m³) | 2017 DSM | 2018 DSM | Forecast (\$000) | Actual (\$000) | Variance (\$000) |
| | | | | | | Unit Rate for Prospective Recovery/(Refund) (cents/m³) | Unit Rate for Prospective Recovery/(Refund) (cents/m³) | | | |
| | | | (a) | (b) | (c) | (d) | (e) | (f) = ((a) * (d)/100) + ((a) * (e)/100)) | (g) = ((b) * (d)/100) + ((b) * (e)/100)) | (h) = (f) - (g) |
| <u>General Service for Prospective Recovery(Refund) - Delivery</u> | | | | | | | | | | |
| 1 | Small Volume General Service | 01 | 218,218 | 206,105 | 12,113 | (0.9140) | (0.8186) | (3,781) | (3,571) | (210) |
| 2 | Large Volume General Service | 10 | 97,893 | 82,334 | 15,559 | (0.8698) | (1.3393) | (2,163) | (1,819) | (344) |
| 3 | Small Volume General Service | M1 | 708,032 | 724,452 | (16,420) | 2.3352 | 2.5733 | 34,754 | 35,560 | (806) |
| 4 | Large Volume General Service | M2 | 373,184 | 322,222 | 50,962 | (0.5157) | (0.7207) | (4,614) | (3,984) | (630) |
| 5 | Total General Service for Prospective Recovery (Refund) - Delivery | | <u>1,397,327</u> | <u>1,335,112</u> | <u>62,215</u> | | | <u>24,196</u> | <u>26,186</u> | <u>(1,990)</u> |
| 6 | Total | | | | | | | <u>24,196</u> | <u>26,186</u> | <u>(1,990)</u> |

Notes:

(1) Forecast volume for the period April 1, 2021 to September 30, 2021.

DEFERRAL VARIANCE CLEARING ACCOUNT - UNION RATE ZONES
2019 DEFERRAL DISPOSITION (EB-2020-0134)
DISPOSITION PERIOD - OCTOBER 1, 2021 TO DECEMBER 31, 2021

| Line No. | Particulars | Rate Class | 2021 | | | | | | |
|---|---|------------|--|--|--|---|---------------------|----------------------|---------------------|
| | | | Forecast Volume (10 ³ m ³) (1) | Actual Volume (10 ³ m ³) | Volume Variance (10 ³ m ³) | Unit Rate for Prospective Recovery/(Refund) (cents/m ³) (2) | Forecast (\$000) | Actual (\$000) | Variance (\$000) |
| | | | (a) | (b) | (c) | (d) | (e) = (a) * (d)/100 | (f) = (b) * (d)/ 100 | (g) = (c) - (f) |
| <u>General Service for Prospective Recovery(Refund) - Delivery</u> | | | | | | | | | |
| 1 | Small Volume General Service | 01 | 321,283 | 275,592 | 45,691 | (1.0715) | (3,443) | (2,953) | (490) |
| 2 | Large Volume General Service | 10 | 113,056 | 83,501 | 29,555 | (1.1691) | (1,322) | (976) | (346) |
| 3 | Small Volume General Service | M1 | 951,810 | 822,199 | 129,611 | (0.6869) | (6,538) | (5,648) | (890) |
| 4 | Large Volume General Service | M2 | 429,887 | 313,806 | 116,081 | (0.4369) | (1,878) | (1,371) | (507) |
| 5 | Total General Service for Prospective Recovery (Refund) - Delivery | | <u>1,816,036</u> | <u>1,495,097</u> | <u>320,939</u> | | <u>(13,180)</u> | <u>(10,948)</u> | <u>(2,233)</u> |
| <u>General Service for Prospective Recovery(Refund) - Gas Supply Transportation</u> | | | | | | | | | |
| 6 | Small Volume General Service-NW | 01 | 90,838 | 80,740 | 10,098 | (8.0456) | (7,308) | (6,496) | (812) |
| 7 | Small Volume General Service-NE | 01 | 230,446 | 194,851 | 35,595 | (0.4405) | (1,015) | (858) | (157) |
| 8 | Large Volume General Service-NW | 10 | 27,145 | 19,561 | 7,584 | (5.4548) | (1,481) | (1,067) | (414) |
| 9 | Large Volume General Service-NE | 10 | 84,374 | 62,677 | 21,697 | (0.2959) | (250) | (185) | (64) |
| 10 | Total General Service for Prospective Recovery (Refund) - Gas Supply Transportation | | <u>432,803</u> | <u>357,830</u> | <u>74,973</u> | | <u>(10,054)</u> | <u>(8,607)</u> | <u>(1,447)</u> |
| <u>Prospective Recovery/(Refund) - Gas Supply Commodity</u> | | | | | | | | | |
| 11 | Small Volume General Service | M1 | 889,983 | 771,375 | 118,608 | 0.7902 | 7,033 | 6,095 | 937 |
| 12 | Large Volume General Service | M2 | 224,466 | 139,468 | 84,998 | 0.7902 | 1,774 | 1,102 | 672 |
| 13 | Firm Com/Ind Contract | M4 | 20,550 | 15,982 | 4,568 | 0.7902 | 162 | 126 | 36 |
| 14 | Interruptible Com/Ind Contract | M5 | 2,744 | 625 | 2,119 | 0.7902 | 22 | 5 | 17 |
| 15 | Special Large Volume Contract | M7 | 7,927 | 7,534 | 393 | 0.7902 | 63 | 60 | 3 |
| 16 | Large Wholesale | M9 | 10,631 | 6,454 | 4,177 | 0.7902 | 84 | 51 | 33 |
| 17 | Small Wholesale | M10 | 125 | 101 | 24 | 0.7902 | 1 | 1 | 0 |
| 18 | Total Prospective Recovery (Refund) - Gas Supply Commodity | | <u>1,156,427</u> | <u>941,540</u> | <u>214,886</u> | | <u>9,138</u> | <u>7,440</u> | <u>1,698</u> |
| 19 | Total | | | | | | <u>(14,096)</u> | <u>(12,115)</u> | <u>(1,982)</u> |

Notes:

(1) Forecast volume for the period October 1, 2021 to December 31, 2021.

(2) Unit rate for prospective recovery/refund for each rate class equal to the gas supply commodity weighted-average unit rate.

UNION RATE ZONES
Calculation of Balances by Rate Class in the NAC Deferral Account (No. 179-133) - Base Rates and Y-Factor

| Line No. | Particulars | | Rate 01 (a) | Rate 10 (b) | Rate M1 (c) | Rate M2 (d) | Net Account Balance (e) |
|---|---|-----|----------------|----------------|----------------|----------------|-------------------------------|
| Base Rates | | | | | | | |
| 1 | 2021 Target NAC: m³ | | 2,889.4 | 171,539.6 | 2,775.7 | 168,419.3 | |
| 2 | 2021 Actual NAC: m³ | | 2,765.6 | 151,410.7 | 2,667.6 | 149,839.7 | |
| 3 | Actual change in NAC: m³ (line 1 - 2) | | 123.7 | 20,128.9 | 108.1 | 18,579.6 | |
| Y Factor Rates | | | | | | | |
| 4 | 2021 Target NAC: m³ | | 2,829.8 | 166,842.2 | 2,691.8 | 169,476.8 | |
| 5 | 2021 Actual NAC: m³ | | 2,765.6 | 151,410.7 | 2,667.6 | 149,839.7 | |
| 6 | Actual change in NAC: m³ (line 4 - 5) | | 64.2 | 15,431.5 | 24.2 | 19,637.1 | |
| 7 | 2013 Board-approved number of Customers at December | | 323,287.0 | 2,064.0 | 1,067,757.0 | 6,778.0 | 1,399,886.0 |
| Base Rates | | | | | | | |
| 8 | Annual Volume Impact (10³m³) | (1) | 39,588 | 41,294 | 114,193 | 126,241 | 321,316 |
| 9 | 2021 Net Annual Average Delivery Rate (\$/m3) | (2) | \$0.087 | \$0.053 | \$0.037 | \$0.034 | |
| 10 | 2021 Net Annual Average Storage Rate (\$/m3) | (3) | \$0.047 | \$0.034 | \$0.008 | \$0.007 | |
| 11 | Delivery Rate Annual Balance Amount (\$000) | (4) | \$3,461 | \$2,168 | \$4,221 | \$4,255 | \$14,106 |
| 12 | Storage Rate Annual Balance Amount (\$000) | (4) | \$1,873 | \$1,407 | \$916 | \$886 | \$5,081 |
| Y Factor Rates | | | | | | | |
| 13 | Annual Volume Impact (10³m³) | (1) | 20,531 | 31,672 | 25,241 | 133,236 | 210,681 |
| 14 | 2021 Net Annual Average Delivery Rate (\$/m3) | (2) | \$0.006 | \$0.009 | \$0.013 | \$0.011 | |
| 15 | 2021 Net Annual Average Storage Rate (\$/m3) | (3) | \$0.000 | \$0.000 | \$0.000 | \$0.000 | |
| 16 | Delivery Rate Annual Balance Amount (\$000) | (4) | \$133 | \$276 | \$317 | \$1,523 | \$2,249 |
| 17 | Storage Rate Annual Balance Amount (\$000) | (4) | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Annual Balance Amounts (\$000) | | | | | | | |
| 18 | Total Delivery Rate Annual Balance Amount (line 11+16) | | \$3,594 | \$2,444 | \$4,539 | \$5,779 | \$16,355.3 |
| 19 | Total Storage Rate Annual Balance Amount (line 12+17) | | \$1,873 | \$1,407 | \$916 | \$886 | \$5,080.9 |
| 20 | Storage Cost Annual Balance Amount (\$000) | | (\$201) | (\$99) | (\$890) | (\$1,249) | (\$2,438) |
| 21 | Interest (\$000) | (5) | \$64 | \$45 | \$65 | \$65 | \$239 |
| 22 | Total Deferral Account Amounts (\$000) (line 18+19+20+21) | | \$5,330 | \$3,797 | \$4,629 | \$5,481 | \$19,237 |

Notes:

- (1) The annual volume is obtained from a monthly calculation of approved customers and the monthly usage variance.
- (2) The Net Annual Average Delivery Rate is the volume-weighted average of Board-approved monthly unit rates in effect
- (3) The Net Annual Average Storage Rate is the volume-weighted average of Board-approved monthly unit rates in effect
- (4) The annual revenue is obtained from a monthly calculation of volumes (lines 8 and 13) and the monthly unit delivery and storage rates (lines 9, 10, 14 and 15).
- (5) Interest is calculated on the monthly opening balance in the deferral account in accordance with the methodology approved by the Board in EB-2006-0117. Interest is calculated to Dec 31, 2022.

CALCULATION OF 2021 TRANSPORTATION REVENUES ON THE LOBO D/BRIGHT C/DAWN H COMPRESSOR
PROJECT COST DEFERRAL ACCOUNT
UNION RATE ZONES

| Particulars | Volume (TJ/d) ⁽¹⁾ | Revenue (\$000's) ⁽²⁾ | Project Surplus Allocation (%) | Allocation (\$000's) |
|-------------|---------------------------------|-------------------------------------|-----------------------------------|-------------------------|
| | (a) | (b) | (a) | (d) = (b) x (c) |
| <u>2021</u> | | | | |
| January | 30 | 111 | 100% | 111 |
| February | 30 | 111 | 100% | 111 |
| March | 30 | 111 | 100% | 111 |
| April | 30 | 111 | 100% | 111 |
| May | 30 | 111 | 100% | 111 |
| June | 30 | 111 | 100% | 111 |
| July | 30 | 111 | 100% | 111 |
| August | 30 | 111 | 100% | 111 |
| September | 30 | 111 | 100% | 111 |
| October | 30 | 111 | 100% | 111 |
| November | 30 | 111 | 100% | 111 |
| December | 30 | 111 | 100% | 111 |
| Total | | 1,337 | | 1,337 |

Notes

⁽¹⁾ Capacity of 30,393 GJ/d assumed to be sold long term.

⁽²⁾ Sold at the Dawn to Parkway M12 Rate of \$3.665 \$/GJ

ALLOCATION AND DISPOSITION OF
2021 DEFERRAL AND VARIANCE ACCOUNT BALANCES

1. The purpose of this evidence is to address the allocation and disposition of 2021 deferral and variance account balances identified at Exhibit C, Tab 1, Schedule 1.
2. Enbridge Gas proposes to dispose of the approved 2021 deferral and variance account balances with the first QRAM application following the OEB's approval, as early as January 1, 2023.
3. This exhibit of evidence is organized as follows:
 1. Allocation of Deferral and Variance Accounts
 - 1.1 EGI Accounts
 - 1.2 EGD Rate Zone Accounts
 - 1.3 Union Rate Zones' Accounts
 2. Disposition of Deferral and Variance Accounts
 3. General Service Bill Impacts

1. Allocation of Deferral and Variance Accounts

4. In accordance with the OEB's EB-2017-0306/EB-2017-0307 Decision and Order (MAADs Decision), the OEB approved new EGI deferral and variance accounts that apply to both the EGD rate zone and Union rate zones effective January 1, 2019. The applicability of other deferral and variance accounts that were approved to continue during the deferred rebasing period is for either the EGD rate zone or the Union rate zones.

1.1. EGI Accounts

5. The OEB previously approved¹ the following deferral and variance accounts for Enbridge Gas that are applicable to both the EGD and Union rate zones:
 - Accounting Policy Changes Deferral Account (APCDA),
 - Earnings Sharing Mechanism Deferral Account (ESMDA),
 - Tax Variance Deferral Account (TVDA),
 - Expansion of Natural Gas Distribution System Variance Account (ENGDSVA),
 - IRP Operating Costs Deferral Account,
 - IRP Capital Costs Deferral Account, and
 - Impacts Arising from the COVID-19 Emergency Deferral Account (IACEDA).
6. Enbridge Gas is proposing to dispose of the 2021 balance in the TVDA and the IRP Operating Costs Deferral Account as part of this application. The balance in the APCDA and IACEDA are not proposed for disposition as part of this application, as described at Exhibit C, Tab 1. There is no balance for the ESMDA, ENGDSVA and IRP Capital Costs Deferral Account, as shown at Exhibit C, Tab 1, Schedule 1.
7. The 2021 TVDA balance, including interest, is a credit of \$19.390 million as shown at Exhibit C, Tab 1, Schedule 1. Consistent with the methodology approved by the OEB in previous years, Enbridge Gas has split the credit balance of \$19.390 million between the EGD and Union rate zones in proportion to the 2018 actual rate base for each rate zone.² Splitting the \$19.390 million TVDA credit balance in proportion to 2018 actual rate base results in a credit of \$10.236 million being cleared to the EGD rate zone and a credit of \$9.154 million being cleared to the Union rate zones. The details of the split to rate zones is provided at Exhibit F, Tab 1, Schedule 1.

¹ EB-2017-0306/EB-2017-0307 Decision and Order established the APCDA, ESMDA and TVDA. The ENGDSVA was established in accordance with Section 4 of Ontario Regulation 24/19. The IRP Operating Costs Deferral Account and the IRP Capital Costs Deferral Account were established in accordance with the EB-2020-0091 Decision and Order.

² EB-2020-0134 Decision and Order, May 6, 2021, page 16.

8. The 2021 IRP Operating Cost Deferral Account balance, including interest, is a debit of \$0.058 million as shown at Exhibit C, Tab 1, Schedule 1. Consistent with the TVDA, Enbridge Gas has split the debit balance of \$0.058 million between the EGD and Union rate zones in proportion to the 2018 actual rate base for each rate zone.³ Splitting the \$0.058 million debit balance in proportion to 2018 actual rate base results in a debit of \$0.031 million being cleared to the EGD rate zone and a debit of \$0.027 million being cleared to the Union rate zones. The details of the split to rate zones is provided at Exhibit F, Tab 1, Schedule 1.
9. Enbridge Gas has allocated the split balance of the TVDA and IRP Operating Cost Deferral Account to rate classes in each rate zone in proportion to 2018 rate base for the EGD rate zone and 2013 rate base for the Union rate zones. The rate base allocation for each rate zone is taken from the last fully allocated cost study prepared for each rate zone. The allocation to EGD rate classes is provided at Exhibit F, Tab 2, Schedule 3. The allocation to Union rate classes is provided at Exhibit F, Tab 3, Schedule 2.

1.2 EGD Rate Zone Accounts

10. The 2021 deferral and variance account balances to be cleared to the EGD rate zone are provided at Exhibit F, Tab 2, Schedule 2, including the EGD rate zone allocation of the EGI accounts.
11. The 2021 EGD rate zone deferral and variance account balances are allocated to the customer classes using the same methodologies that the OEB approved in previous years.
12. The allocation of account balances to EGD rate classes based on cost drivers for each type of account is provided at Exhibit F, Tab 2, Schedule 3. A summary of the

³ EB-2020-0134 Decision and Order, May 6, 2021, page 16.

allocation of account balances by rate class and type of service is provided at Exhibit F, Tab 2, Schedule 4.

1.3 Union Rate Zones' Accounts

13. The 2021 deferral and variance account balances to be cleared to the Union rate zones are provided at Exhibit F, Tab 3, Schedule 1, including the Union rate zones allocation of the EGI accounts.
14. The 2021 Union rate zones' deferral and variance account balances are allocated to the customer classes using the same methodologies that the OEB approved in previous years except for the Deferral Clearing Variance Account (179-132) in the Union rate zone.
15. With the harmonization of Enbridge Gas's customer information system (CIS) in 2021, the Union rate zone is no longer able to identify and allocate DCVA balances to rate classes. Consistent with the EGD rate zone Deferred Rebate Account allocation, Enbridge Gas proposes to split the DCVA balance between general service and contract customers. The allocation of general service and contract customer balances to rate classes is based on respective volumes. Please refer to Exhibit E, Tab 1 for background on the DCVA balance, and Exhibit F, Tab 3, Schedule 3 for the proposed allocation.
16. The allocation of account balances to Union South and Union North rate classes is provided at Exhibit F, Tab 3, Schedule 2.

2. Disposition of Deferral and Variance Accounts

17. Enbridge Gas proposes to dispose of the approved 2021 deferral and variance account balances with the first QRAM application following the OEB's approval, as early as January 1, 2023

18. Enbridge Gas proposes to dispose of the 2021 deferral and variance account balances as a one-time billing adjustment. The billing adjustment will appear as a separate line item on customers' bills, the earliest being January 2023. The one-time billing adjustment will be derived for each customer by applying the disposition unit rates to each customer's actual consumption volume or contract demand, as applicable, for the period January 1, 2021 to December 31, 2021.
19. The unit rates for disposition by rate class and service type are provided at Exhibit F, Tab 2, Schedule 1 and Schedule 5 for the EGD rate zone. The unit rates for disposition for the Union rate zones, including a summary of the balances to be disposed of to ex-franchise rate classes are provided at Exhibit F, Tab 3, Schedule 4.

3. General Service Bill Impacts

20. For a Rate 1 sales service and western t-service customer in the EGD rate zone with annual consumption of 2,400 m³, the one-time billing adjustment charge is \$5.01.⁴ /u
21. For a Rate M1 sales service residential customer in Union South with annual consumption of 2,200 m³, the one-time billing adjustment charge is \$9.34. For a Rate M1 bundled direct purchase (DP) residential customer, the one-time billing adjustment charge is \$1.91. /u
22. For a Rate 01 sales service and bundled DP residential customer in Union North West with annual consumption of 2,200 m³, the one-time billing adjustment credit is \$17.33. /u

⁴ In addition to the EGD rate zone 2021 Deferral bill impacts, the allocation of Union rate zone deferrals to Rate M12 results in a bill impact of approximately \$1.00 to a typical Rate 1 residential customer in the EGD rate zone.

23. For a Rate 01 sales service and bundled DP residential customer in Union North East with annual consumption of 2,200 m³, the one-time billing adjustment charge is \$7.78.

/u

24. Bill impacts of the proposed disposition are provided at Exhibit F, Tab 2, Schedule 6 for the EGD rate zone and Exhibit F, Tab 3, Schedule 5 for the Union rate zones.

ENBRIDGE GAS INC.
Split of EGI Account Balances to Rate Zones

| Line No. | Particulars (\$ millions) | Allocator | Account Balance | | |
|--|---------------------------|------------------------------|-----------------|--------------|-------------|
| | | 2018 Actual Rate Base (1) | Principal (2) | Interest (2) | Total |
| | | (a) | (b) | (c) | (d) = (b+c) |
| <u>2021 Tax Variance Deferral Account</u> | | | | | |
| 1 | EGD rate zone | 6,729 | (10.116) | (0.120) | (10.236) |
| 2 | Union rate zones | 6,018 | (9.047) | (0.107) | (9.154) |
| 3 | Total | 12,748 | (19.163) | (0.227) | (19.390) |
| <u>2021 IRP Operating Costs Deferral Account</u> | | | | | |
| 4 | EGD | 6,729 | 0.030 | 0.000 | 0.031 |
| 5 | Union | 6,018 | 0.027 | 0.000 | 0.027 |
| 6 | Total | 12,748 | 0.058 | 0.000 | 0.058 |

Note:

- (1) 2018 actual rate base per EB-2019-0105, Exhibit B, Tab 2, Appendix B, Schedule 1 for the EGD rate zone and EB-2019-0105, Exhibit C, Tab 2, Appendix A, Schedule 4 for the Union rate zones.
- (2) Allocated in proportion to column (a).

ENBRIDGE GAS INC.
EGD RATE ZONE
UNIT RATE AND TYPE OF SERVICE: CLEARING IN JANUARY 2023

COL.1

| | | <u>UNIT RATE</u> (\$/m ³) |
|---|---------------------|--|
| <u>Bundled Services:</u> | | |
| RATE 1 | - SYSTEM SALES | 0.2086 |
| | - BUY/SELL | 0.0000 |
| | - ONTARIO T-SERVICE | 0.2572 |
| | - DAWN T-SERVICE | 0.2572 |
| | - WESTERN T-SERVICE | 0.2086 |
| RATE 6 | - SYSTEM SALES | 0.2527 |
| | - BUY/SELL | 0.0000 |
| | - ONTARIO T-SERVICE | 0.3013 |
| | - DAWN T-SERVICE | 0.3013 |
| | - WESTERN T-SERVICE | 0.2527 |
| RATE 9 | - SYSTEM SALES | 0.0151 |
| | - BUY/SELL | 0.0000 |
| | - ONTARIO T-SERVICE | 0.0000 |
| | - DAWN T-SERVICE | 0.0000 |
| | - WESTERN T-SERVICE | 0.0000 |
| RATE 100 | - SYSTEM SALES | 0.0675 |
| | - BUY/SELL | 0.0000 |
| | - ONTARIO T-SERVICE | 0.1160 |
| | - DAWN T-SERVICE | 0.1160 |
| | - WESTERN T-SERVICE | 0.0000 |
| RATE 110 | - SYSTEM SALES | 0.0209 |
| | - BUY/SELL | 0.0000 |
| | - ONTARIO T-SERVICE | 0.0694 |
| | - DAWN T-SERVICE | 0.0694 |
| | - WESTERN T-SERVICE | 0.0209 |
| RATE 115 | - SYSTEM SALES | 0.0127 |
| | - BUY/SELL | 0.0000 |
| | - ONTARIO T-SERVICE | 0.0613 |
| | - DAWN T-SERVICE | 0.0613 |
| | - WESTERN T-SERVICE | 0.0000 |
| RATE 135 | - SYSTEM SALES | 0.0123 |
| | - BUY/SELL | 0.0000 |
| | - ONTARIO T-SERVICE | 0.0000 |
| | - DAWN T-SERVICE | 0.0609 |
| | - WESTERN T-SERVICE | 0.0123 |
| RATE 145 | - SYSTEM SALES | 0.0000 |
| | - BUY/SELL | 0.0000 |
| | - ONTARIO T-SERVICE | 0.0000 |
| | - DAWN T-SERVICE | 0.0734 |
| | - WESTERN T-SERVICE | 0.0000 |
| RATE 170 | - SYSTEM SALES | 0.0200 |
| | - BUY/SELL | 0.0000 |
| | - ONTARIO T-SERVICE | 0.0685 |
| | - DAWN T-SERVICE | 0.0685 |
| | - WESTERN T-SERVICE | 0.0000 |
| RATE 200 | - SYSTEM SALES | 0.0607 |
| | - BUY/SELL | 0.0000 |
| | - ONTARIO T-SERVICE | 0.1092 |
| | - DAWN T-SERVICE | 0.1092 |
| | - WESTERN T-SERVICE | 0.0000 |
| <u>Unbundled Services (Billing based on CD):</u> | | |
| RATE 125 | - All | (0.3318) |
| RATE 300 | - All | (1.5672) |
| RATE 332 | - All | (0.3320) |

ENBRIDGE GAS INC.
EGD RATE ZONE
DETERMINATION OF BALANCES TO BE CLEARED
FROM THE 2021 DEFERRAL AND VARIANCE ACCOUNTS

| | | COL. 1 | COL. 2 | COL. 3 |
|----------------------|---|--------------------------------------|---------------------|----------------------------------|
| ITEM NO. | | PRINCIPAL FOR CLEARING (\$000) | INTEREST (\$000) | TOTAL FOR CLEARING (\$000) |
| <u>EGD RATE ZONE</u> | | | | |
| 1. | TRANSACTIONAL SERVICES D/A | (3,904.1) | (35.4) | (3,939.6) |
| 2. | UNACCOUNTED FOR GAS V/A | 753.9 | 4.5 | 758.4 |
| 3. | STORAGE AND TRANSPORTATION D/A | 7,942.5 | 97.0 | 8,039.5 |
| 4. | DEFERRED REBATE ACCOUNT | 4,359.4 | 53.5 | 4,412.9 |
| 5. | OEB COST ASSESSMENT VARIANCE ACCOUNT | 2,550.3 | 31.5 | 2,581.8 |
| 6. | AVERAGE USE TRUE-UP V/A | 14,934.3 | 135.5 | 15,069.8 |
| 7. | TRANSITION IMPACT OF ACCT CHANGE D/A | 4,435.8 | - | 4,435.8 |
| 8. | DAWN ACCESS COSTS D/A | 1,968.0 | 17.9 | 1,985.9 |
| 9. | EGD RATE ZONE SUB-TOTAL | 33,040.0 | 304.5 | 33,344.6 |
| <u>EGI ACCOUNTS</u> | | | | |
| 10. | TAX VARIANCE - ACCELERATED CCA - EGD RATE ZONE PORTION | (10,115.6) | (119.9) | (10,235.5) |
| 11. | IRP OPERATING COST DEFERRAL ACCOUNT - EGD RATE ZONE PORTION | 30.5 | 0.3 | 30.7 |
| 12. | EGI SUB-TOTAL | (10,085.1) | (119.7) | (10,204.8) |
| 13. | TOTAL | 22,954.9 | 184.9 | 23,139.8 |

ENBRIDGE GAS INC.

EGD RATE ZONE

CLASSIFICATION AND ALLOCATION OF DEFERRAL AND VARIANCE ACCOUNT BALANCES

| ITEM NO. | COL. 1 | COL. 2 | COL. 3 | COL. 4 | COL. 5 | COL. 6 | COL. 7 | COL. 8 | COL. 9 | COL. 10 |
|--|------------|------------------|----------------|---------------------|---------|---------------------|----------|------------------------|--------------|---------------------------------|
| | TOTAL | SALES AND WBT | TOTAL SALES | TOTAL DELIVERIES | SPACE | DELIVE- RABILITY | DIRECT | NUMBER OF CUSTOMERS | RATE BASE | BUNDLED ANNUAL DELIVERIES |
| CLASSIFICATION | (\$000) | (\$000) | (\$000) | (\$000) | (\$000) | (\$000) | (\$000) | (\$000) | (\$000) | (\$000) |
| 1. TRANSACTIONAL SERVICES D/A | (3,939.6) | (3,792.2) | | | (50.2) | (97.2) | | | | |
| 2. UNACCOUNTED FOR GAS V/A | 758.4 | | | 758.4 | | | | | | |
| 3. STORAGE AND TRANSPORTATION D/A | 8,039.5 | | | | 2,736.9 | 5,302.6 | | | | |
| 4. DEFERRED REBATE ACCOUNT | 4,412.9 | | | 4,412.9 | | | | | | |
| 5. OEB COST ASSESSMENT VARIANCE ACCOUNT | 2,581.8 | | | | | | | | 2,581.8 | |
| 6. TAX VARIANCE - ACCELERATED CCA - EGI | (10,235.5) | | | | | | | | (10,235.5) | |
| 7. AVERAGE USE TRUE-UP V/A | 15,069.8 | | | | | | 15,069.8 | | | |
| 8. IRP OPERATING COST DEFERRAL ACCOUNT - EGI | 30.7 | | | | | | | | 30.7 | |
| 9. TRANSITION IMPACT OF ACCT CHANGE D/A | 4,435.8 | | | | | | | | 4,435.8 | |
| 10. DAWN ACCESS COSTS D/A | 1,985.9 | | | | | | | | | 1,985.9 |
| TOTAL | 23,139.8 | (3,792.2) | 0.0 | 5,171.3 | 2,686.7 | 5,205.4 | 15,069.8 | 0.0 | (3,187.2) | 1,985.9 |
| ALLOCATION | | | | | | | | | | |
| 1.1 RATE 1 | 9,940.8 | (2,270.6) | 0.0 | 2,183.6 | 1,286.9 | 2,859.2 | 7,134.0 | 0.0 | (2,090.8) | 838.5 |
| 1.2 RATE 6 | 11,974.2 | (1,397.3) | 0.0 | 2,040.9 | 1,233.1 | 2,263.7 | 7,935.8 | 0.0 | (885.7) | 783.7 |
| 1.3 RATE 9 | 0.0 | (0.0) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 1.4 RATE 100 | 33.2 | (6.3) | 0.0 | 15.6 | 7.3 | 17.3 | 0.0 | 0.0 | (6.8) | 6.0 |
| 1.5 RATE 110 | 718.7 | (46.3) | 0.0 | 506.7 | 89.8 | 12.1 | 0.0 | 0.0 | (38.3) | 194.6 |
| 1.6 RATE 115 | 237.1 | (0.5) | 0.0 | 178.3 | 0.0 | 4.8 | 0.0 | 0.0 | (14.0) | 68.5 |
| 1.7 RATE 125 | (30.7) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | (30.7) | 0.0 |
| 1.8 RATE 135 | 37.0 | (1.4) | 0.0 | 29.0 | 0.0 | 0.0 | 0.0 | 0.0 | (1.8) | 11.1 |
| 1.9 RATE 145 | 18.2 | 0.0 | 0.0 | 11.4 | 5.6 | 0.0 | 0.0 | 0.0 | (3.1) | 4.4 |
| 1.10 RATE 170 | 172.2 | (3.1) | 0.0 | 117.6 | 16.9 | 0.0 | 0.0 | 0.0 | (4.4) | 45.2 |
| 1.11 RATE 200 | 142.8 | (66.9) | 0.0 | 88.3 | 47.2 | 48.2 | 0.0 | 0.0 | (8.0) | 33.9 |
| 1.12 RATE 300 | (0.2) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | (0.2) | 0.0 |
| 1.13 RATE 332 | (103.4) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | (103.4) | 0.0 |
| | 23,139.8 | (3,792.2) | 0.0 | 5,171.3 | 2,686.7 | 5,205.4 | 15,069.8 | 0.0 | (3,187.2) | 1,985.9 |

ENBRIDGE GAS INC.
EGD RATE ZONE
ALLOCATION BY TYPE OF SERVICE

| | | COL. 1 | COL. 2 | COL. 3 | COL. 4 | COL. 5 | COL. 6 | COL. 7 | COL. 8 | COL. 9 | COL. 10 |
|---|----------------------|----------|------------------|----------------|---------------------|---------|---------------------|----------|------------------------|--------------|---------------------------------|
| | | TOTAL | SALES AND WBT | TOTAL SALES | TOTAL DELIVERIES | SPACE | DELIVE- RABILITY | DIRECT | NUMBER OF CUSTOMERS | RATE BASE | BUNDLED ANNUAL DELIVERIES |
| | | (\$000) | (\$000) | (\$000) | (\$000) | (\$000) | (\$000) | (\$000) | (\$000) | (\$000) | (\$000) |
| <u>Bundled Services:</u> | | | | | | | | | | | |
| RATE 1 | - SYSTEM SALES | 9,734.6 | (2,264.0) | - | 2,145.5 | 1,264.5 | 2,809.3 | 7,009.7 | - | (2,054.3) | 823.9 |
| | - BUY/SELL | - | - | - | - | - | - | - | - | - | - |
| | - T-SERVICE EXCL WBT | 0.1 | - | - | 0.0 | 0.0 | 0.0 | 0.1 | - | (0.0) | 0.0 |
| | - DAWN T-SERVICE | 177.9 | - | - | 31.8 | 18.7 | 41.6 | 103.9 | - | (30.5) | 12.2 |
| | - WBT | 28.2 | (6.6) | - | 6.2 | 3.7 | 8.1 | 20.3 | - | (5.9) | 2.4 |
| RATE 6 | - SYSTEM SALES | 6,925.4 | (1,329.6) | - | 1,260.0 | 761.2 | 1,397.5 | 4,899.2 | - | (546.8) | 483.8 |
| | - BUY/SELL | - | - | - | - | - | - | - | - | - | - |
| | - T-SERVICE EXCL WBT | 137.6 | - | - | 21.0 | 12.7 | 23.3 | 81.7 | - | (9.1) | 8.1 |
| | - DAWN T-SERVICE | 4,558.4 | - | - | 695.7 | 420.4 | 771.7 | 2,705.4 | - | (301.9) | 267.2 |
| | - WBT | 352.8 | (67.7) | - | 64.2 | 38.8 | 71.2 | 249.6 | - | (27.9) | 24.6 |
| RATE 9 | - SYSTEM SALES | 0.0 | (0.0) | - | 0.0 | 0.0 | - | - | - | - | 0.0 |
| | - BUY/SELL | - | - | - | - | - | - | - | - | - | - |
| | - T-SERVICE EXCL WBT | - | - | - | - | - | - | - | - | - | - |
| | - DAWN T-SERVICE | - | - | - | - | - | - | - | - | - | - |
| | - WBT | - | - | - | - | - | - | - | - | - | - |
| RATE 100 | - SYSTEM SALES | 8.7 | (6.3) | - | 5.9 | 2.8 | 6.6 | - | - | (2.6) | 2.3 |
| | - BUY/SELL | - | - | - | - | - | - | - | - | - | - |
| | - T-SERVICE EXCL WBT | 1.9 | - | - | 0.7 | 0.3 | 0.8 | - | - | (0.3) | 0.3 |
| | - DAWN T-SERVICE | 22.6 | - | - | 9.0 | 4.2 | 9.9 | - | - | (3.9) | 3.4 |
| | - WBT | - | - | - | - | - | - | - | - | - | - |
| RATE 110 | - SYSTEM SALES | 17.4 | (40.4) | - | 38.3 | 6.8 | 0.9 | - | - | (2.9) | 14.7 |
| | - BUY/SELL | - | - | - | - | - | - | - | - | - | - |
| | - T-SERVICE EXCL WBT | 39.5 | - | - | 26.2 | 4.6 | 0.6 | - | - | (2.0) | 10.1 |
| | - DAWN T-SERVICE | 659.2 | - | - | 436.6 | 77.4 | 10.5 | - | - | (33.0) | 167.7 |
| | - WBT | 2.5 | (5.9) | - | 5.6 | 1.0 | 0.1 | - | - | (0.4) | 2.1 |
| RATE 115 | - SYSTEM SALES | 0.1 | (0.5) | - | 0.5 | 0.0 | 0.0 | - | - | (0.0) | 0.2 |
| | - BUY/SELL | - | - | - | - | - | - | - | - | - | - |
| | - T-SERVICE EXCL WBT | 81.1 | - | - | 60.9 | 0.0 | 1.7 | - | - | (4.8) | 23.4 |
| | - DAWN T-SERVICE | 155.8 | - | - | 116.9 | 0.0 | 3.2 | - | - | (9.2) | 44.9 |
| | - WBT | - | - | - | - | - | - | - | - | - | - |
| RATE 135 | - SYSTEM SALES | 0.3 | (1.3) | - | 1.2 | - | - | - | - | (0.1) | 0.5 |
| | - BUY/SELL | - | - | - | - | - | - | - | - | - | - |
| | - T-SERVICE EXCL WBT | - | - | - | - | - | - | - | - | - | - |
| | - DAWN T-SERVICE | 36.7 | - | - | 27.7 | - | - | - | - | (1.7) | 10.6 |
| | - WBT | 0.0 | (0.1) | - | 0.1 | - | - | - | - | (0.0) | 0.0 |
| RATE 145 | - SYSTEM SALES | - | - | - | - | - | - | - | - | - | - |
| | - BUY/SELL | - | - | - | - | - | - | - | - | - | - |
| | - T-SERVICE EXCL WBT | - | - | - | - | - | - | - | - | - | - |
| | - DAWN T-SERVICE | 18.2 | - | - | 11.4 | 5.6 | - | - | - | (3.1) | 4.4 |
| | - WBT | - | - | - | - | - | - | - | - | - | - |
| RATE 170 | - SYSTEM SALES | 1.3 | (3.1) | - | 2.9 | 0.4 | - | - | - | (0.1) | 1.1 |
| | - BUY/SELL | - | - | - | - | - | - | - | - | - | - |
| | - T-SERVICE EXCL WBT | 99.4 | - | - | 66.7 | 9.6 | - | - | - | (2.5) | 25.6 |
| | - DAWN T-SERVICE | 71.5 | - | - | 48.0 | 6.9 | - | - | - | (1.8) | 18.4 |
| | - WBT | - | - | - | - | - | - | - | - | - | - |
| RATE 200 | - SYSTEM SALES | 83.6 | (66.9) | - | 63.4 | 33.9 | 34.6 | - | - | (5.7) | 24.3 |
| | - BUY/SELL | - | - | - | - | - | - | - | - | - | - |
| | - T-SERVICE EXCL WBT | 2.0 | - | - | 0.9 | 0.5 | 0.5 | - | - | (0.1) | 0.3 |
| | - DAWN T-SERVICE | 57.2 | - | - | 24.1 | 12.9 | 13.2 | - | - | (2.2) | 9.2 |
| | - WBT | - | - | - | - | - | - | - | - | - | - |
| <u>Unbundled Services: (Billing based on CD)</u> | | | | | | | | | | | |
| RATE 125 | | (30.7) | - | - | - | - | - | - | - | (30.7) | - |
| RATE 300 | | (0.2) | - | - | - | - | - | - | - | (0.2) | - |
| RATE 332 | | (103.4) | - | - | - | - | - | - | - | (103.4) | - |
| | | 23,139.8 | (3,792.2) | 0.0 | 5,171.3 | 2,686.7 | 5,205.4 | 15,069.8 | 0.0 | (3,187.2) | 1,985.9 |

ENBRIDGE GAS INC.
EGD RATE ZONE
UNIT RATE BY TYPE OF SERVICE*

| | COL. 1 | COL. 2 | COL. 3 | COL. 4 | COL. 5 | COL. 6 | COL. 7 | COL. 8 | COL. 9 | COL. 10 |
|--------------------------|---------------------|------------------|----------------|---------------------|--------|---------------------|--------|------------------------|--------------|---------------------------------|
| | TOTAL | SALES AND WBT | TOTAL SALES | TOTAL DELIVERIES | SPACE | DELIVE- RABILITY | DIRECT | NUMBER OF CUSTOMERS | RATE BASE | BUNDLED ANNUAL DELIVERIES |
| | (¢/m³) | (¢/m³) | (¢/m³) | (¢/m³) | (¢/m³) | (¢/m³) | (¢/m³) | (¢/m³) | (¢/m³) | (¢/m³) |
| Bundled Services: | | | | | | | | | | |
| RATE 1 | - SYSTEM SALES | 0.2086 | (0.0485) | 0.0000 | 0.0460 | 0.0271 | 0.0602 | 0.1502 | 0.0000 | (0.0440) 0.0177 |
| | - BUY/SELL | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| | - ONTARIO T-SERVICE | 0.2572 | 0.0000 | 0.0000 | 0.0460 | 0.0271 | 0.0602 | 0.1502 | 0.0000 | (0.0440) 0.0177 |
| | - DAWN T-SERVICE | 0.2572 | 0.0000 | 0.0000 | 0.0460 | 0.0271 | 0.0602 | 0.1502 | 0.0000 | (0.0440) 0.0177 |
| | - WESTERN T-SERVICE | 0.2086 | (0.0485) | 0.0000 | 0.0460 | 0.0271 | 0.0602 | 0.1502 | 0.0000 | (0.0440) 0.0177 |
| RATE 6 | - SYSTEM SALES | 0.2527 | (0.0485) | 0.0000 | 0.0460 | 0.0278 | 0.0510 | 0.1788 | 0.0000 | (0.0200) 0.0177 |
| | - BUY/SELL | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| | - ONTARIO T-SERVICE | 0.3013 | 0.0000 | 0.0000 | 0.0460 | 0.0278 | 0.0510 | 0.1788 | 0.0000 | (0.0200) 0.0177 |
| | - DAWN T-SERVICE | 0.3013 | 0.0000 | 0.0000 | 0.0460 | 0.0278 | 0.0510 | 0.1788 | 0.0000 | (0.0200) 0.0177 |
| | - WESTERN T-SERVICE | 0.2527 | (0.0485) | 0.0000 | 0.0460 | 0.0278 | 0.0510 | 0.1788 | 0.0000 | (0.0200) 0.0177 |
| RATE 9 | - SYSTEM SALES | 0.0151 | (0.0485) | 0.0000 | 0.0460 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 0.0177 |
| | - BUY/SELL | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| | - ONTARIO T-SERVICE | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| | - DAWN T-SERVICE | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| | - WESTERN T-SERVICE | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| RATE 100 | - SYSTEM SALES | 0.0675 | (0.0485) | 0.0000 | 0.0460 | 0.0213 | 0.0510 | 0.0000 | 0.0000 | (0.0200) 0.0177 |
| | - BUY/SELL | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| | - ONTARIO T-SERVICE | 0.1160 | 0.0000 | 0.0000 | 0.0460 | 0.0213 | 0.0510 | 0.0000 | 0.0000 | (0.0200) 0.0177 |
| | - DAWN T-SERVICE | 0.1160 | 0.0000 | 0.0000 | 0.0460 | 0.0213 | 0.0510 | 0.0000 | 0.0000 | (0.0200) 0.0177 |
| | - WESTERN T-SERVICE | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| RATE 110 | - SYSTEM SALES | 0.0209 | (0.0485) | 0.0000 | 0.0460 | 0.0082 | 0.0011 | 0.0000 | 0.0000 | (0.0035) 0.0177 |
| | - BUY/SELL | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| | - ONTARIO T-SERVICE | 0.0694 | 0.0000 | 0.0000 | 0.0460 | 0.0082 | 0.0011 | 0.0000 | 0.0000 | (0.0035) 0.0177 |
| | - DAWN T-SERVICE | 0.0694 | 0.0000 | 0.0000 | 0.0460 | 0.0082 | 0.0011 | 0.0000 | 0.0000 | (0.0035) 0.0177 |
| | - WESTERN T-SERVICE | 0.0209 | (0.0485) | 0.0000 | 0.0460 | 0.0082 | 0.0011 | 0.0000 | 0.0000 | (0.0035) 0.0177 |
| RATE 115 | - SYSTEM SALES | 0.0127 | (0.0485) | 0.0000 | 0.0460 | 0.0000 | 0.0012 | 0.0000 | 0.0000 | (0.0036) 0.0177 |
| | - BUY/SELL | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| | - ONTARIO T-SERVICE | 0.0613 | 0.0000 | 0.0000 | 0.0460 | 0.0000 | 0.0012 | 0.0000 | 0.0000 | (0.0036) 0.0177 |
| | - DAWN T-SERVICE | 0.0613 | 0.0000 | 0.0000 | 0.0460 | 0.0000 | 0.0012 | 0.0000 | 0.0000 | (0.0036) 0.0177 |
| | - WESTERN T-SERVICE | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| RATE 135 | - SYSTEM SALES | 0.0123 | (0.0485) | 0.0000 | 0.0460 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | (0.0028) 0.0177 |
| | - BUY/SELL | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| | - ONTARIO T-SERVICE | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| | - DAWN T-SERVICE | 0.0609 | 0.0000 | 0.0000 | 0.0460 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | (0.0028) 0.0177 |
| | - WESTERN T-SERVICE | 0.0123 | (0.0485) | 0.0000 | 0.0460 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | (0.0028) 0.0177 |
| RATE 145 | - SYSTEM SALES | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| | - BUY/SELL | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| | - ONTARIO T-SERVICE | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| | - DAWN T-SERVICE | 0.0734 | 0.0000 | 0.0000 | 0.0460 | 0.0224 | 0.0000 | 0.0000 | 0.0000 | (0.0127) 0.0177 |
| | - WESTERN T-SERVICE | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| RATE 170 | - SYSTEM SALES | 0.0200 | (0.0485) | 0.0000 | 0.0460 | 0.0066 | 0.0000 | 0.0000 | 0.0000 | (0.0017) 0.0177 |
| | - BUY/SELL | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| | - ONTARIO T-SERVICE | 0.0685 | 0.0000 | 0.0000 | 0.0460 | 0.0066 | 0.0000 | 0.0000 | 0.0000 | (0.0017) 0.0177 |
| | - DAWN T-SERVICE | 0.0685 | 0.0000 | 0.0000 | 0.0460 | 0.0066 | 0.0000 | 0.0000 | 0.0000 | (0.0017) 0.0177 |
| | - WESTERN T-SERVICE | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| RATE 200 | - SYSTEM SALES | 0.0607 | (0.0485) | 0.0000 | 0.0460 | 0.0246 | 0.0251 | 0.0000 | 0.0000 | (0.0042) 0.0177 |
| | - BUY/SELL | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| | - ONTARIO T-SERVICE | 0.1092 | 0.0000 | 0.0000 | 0.0460 | 0.0246 | 0.0251 | 0.0000 | 0.0000 | (0.0042) 0.0177 |
| | - DAWN T-SERVICE | 0.1092 | 0.0000 | 0.0000 | 0.0460 | 0.0246 | 0.0251 | 0.0000 | 0.0000 | (0.0042) 0.0177 |
| | - WESTERN T-SERVICE | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |

Unbundled Services (Billing based on CD, ¢/m3):

| | | | | | | | | | | |
|-----------------|------------------------|----------|--------|--------|--------|--------|--------|--------|--------|-----------------|
| RATE 125 | - All | (0.3318) | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | (0.3318) 0.0000 |
| | - Customer-specific ** | | | | | | | | | |
| RATE 300 | - All | (1.5672) | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | (1.5672) 0.0000 |
| | - Customer-specific ** | | | | | | | | | |
| RATE 332 | - All | (0.3320) | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | (0.3320) 0.0000 |

Notes:

* Unit Rates derived based on 2021 actual volumes

ENBRIDGE GAS INC.
EGD RATE ZONE
2021 DEFERRAL AND VARIANCE ACCOUNT CLEARING
BILL ADJUSTMENT IN JANUARY 2023 FOR TYPICAL CUSTOMERS

| ITEM NO. | COL. 1 | COL. 2 | COL. 3 | COL. 4 | COL. 5 | COL. 6 | COL. 7 | COL. 8 | COL. 9 | COL. 10 |
|----------|---------------------------------|--|--|---|--|---|---------------------------------------|--|---|--|
| | <u>GENERAL SERVICE</u> | ANNUAL VOLUME m ³ | UNIT RATE | | | | BILL ADJUSTMENT | | | |
| | | | <u>SALES</u> (c/m ³) | <u>ONTARIO TS</u> (c/m ³) | <u>DAWN TS</u> (c/m ³) | <u>WESTERN TS</u> (c/m ³) | <u>SALES CUSTOMERS</u> (\$) | <u>ONTARIO TS CUSTOMERS</u> (\$) | <u>DAWN TS CUSTOMERS</u> (\$) | <u>WESTERN TS CUSTOMERS</u> (\$) |
| 1.1 | RATE 1 RESIDENTIAL | | | | | | | | | |
| 1.2 | Heating & Water Heating | 2,400 | 0.2086 | 0.2572 | 0.2572 | 0.2086 | 5.01 | 6.17 | 6.17 | 5.01 |
| 2.1 | RATE 6 COMMERCIAL | | | | | | | | | |
| 2.2 | Heating & Other Uses | 22,606 | 0.2527 | 0.3013 | 0.3013 | 0.2527 | 57.14 | 68.10 | 68.10 | 57.14 |
| 2.3 | General Use | 43,285 | 0.2527 | 0.3013 | 0.3013 | 0.2527 | 109.40 | 130.40 | 130.40 | 109.40 |
| | <u>CONTRACT SERVICE</u> | | | | | | | | | |
| 3.1 | RATE 100 | | | | | | | | | |
| 3.2 | Industrial - small size | 339,188 | 0.0675 | 0.1160 | 0.1160 | 0.0000 | 228.93 | 393.51 | 393.51 | - |
| 4.1 | RATE 110 | | | | | | | | | |
| 4.2 | Industrial - small size, 50% LF | 598,568 | 0.0209 | 0.0694 | 0.0694 | 0.0209 | 125.09 | 415.53 | 415.53 | 125.09 |
| 4.3 | Industrial - avg. size, 75% LF | 9,976,121 | 0.0209 | 0.0694 | 0.0694 | 0.0209 | 2,084.82 | 6,925.45 | 6,925.45 | 2,084.82 |
| 5.1 | RATE 115 | | | | | | | | | |
| 5.2 | Industrial - small size, 80% LF | 4,471,609 | 0.0127 | 0.0613 | 0.0613 | 0.0000 | 570.01 | 2,739.73 | 2,739.73 | - |
| 6.1 | RATE 135 | | | | | | | | | |
| 6.2 | Industrial - Seasonal Firm | 598,567 | 0.0123 | 0.0000 | 0.0609 | 0.0123 | 73.83 | - | 364.26 | 73.83 |
| 7.1 | RATE 145 | | | | | | | | | |
| 7.2 | Commercial - avg. size | 598,568 | 0.0000 | 0.0000 | 0.0734 | 0.0000 | - | - | 439.29 | - |
| 8.1 | RATE 170 | | | | | | | | | |
| 8.2 | Industrial - avg. size, 75% LF | 9,976,121 | 0.0200 | 0.0685 | 0.0685 | 0.0000 | 1,996.70 | 6,837.33 | 6,837.33 | - |

Notes:

Col. 7 = Col. 2 x Col. 3

Col. 8 = Col. 2 x Col. 4

Col. 9 = Col. 2 x Col. 5

Col. 10 = Col. 2 x Col. 6

ENBRIDGE GAS INC.
Union Rate Zones
Unit Rate and Type of Service
2021 Deferral Account Disposition

| Line No. | Particulars | Sales/System Gas <u>Unit Rate for Billing</u> | Bundled T-Service <u>Unit Rate for Billing</u> | T-Service <u>Unit Rate for Billing</u> |
|-------------|-------------------------|--|---|---|
| | | Unit Rate (cents/m ³) (a) | Unit Rate (cents/m ³) (b) | Unit Rate (cents/m ³) (c) |
| | <u>Union North West</u> | | | |
| 1 | Rate 01 | (0.7877) | (0.7877) | 0.4169 |
| 2 | Rate 10 | 0.3313 | 0.3313 | 1.1667 |
| 3 | Rate 20 | (4.9363) | (4.9363) | (0.0106) |
| 4 | Rate 25 | 0.1585 | 0.1585 | (0.0167) |
| 5 | Rate 100 | (0.0159) | (0.0159) | (0.0159) |
| | <u>Union North East</u> | | | |
| 6 | Rate 01 | 0.3537 | 0.3537 | 0.4169 |
| 7 | Rate 10 | 1.1092 | 1.1092 | 1.1667 |
| 8 | Rate 20 | (0.9102) | (0.9102) | (0.0106) |
| 9 | Rate 25 | (0.0549) | (0.0549) | (0.0167) |
| 10 | Rate 100 | (0.0159) | (0.0159) | (0.0159) |
| | <u>Union South</u> | | | |
| 11 | Rate M1 | 0.7547 | 0.4169 | - |
| 12 | Rate M2 | 1.5045 | 1.1667 | - |
| 13 | Rate M4 | 0.4193 | 0.0815 | - |
| 14 | Rate M5 | 0.2270 | (0.1108) | - |
| 15 | Rate M7 | 0.4564 | 0.1186 | - |
| 16 | Rate M9 | 0.4673 | 0.1295 | - |
| 17 | Rate M10 | 0.3250 | (0.0128) | - |
| 18 | Rate T1 | - | - | 0.0202 |
| 19 | Rate T2 | - | - | 0.0420 |
| 20 | Rate T3 | - | - | 0.0958 |

ENBRIDGE GAS INC.
Union Rate Zones
2021 Deferral Account Balances To Be Cleared
Year Ending December 31, 2021

| Line No. | Account Number | Account Name (\$000's) | Balance (a) | Interest (b) | Total (c) |
|----------|--|---|----------------|-----------------|----------------|
| 1 | 179-131 | Upstream Transportation Optimization | 8,616 | 78 | 8,695 |
| 2 | 179-107 | Spot Gas Variance Account | - | - | - |
| 3 | 179-108 | Unabsorbed Demand Costs Variance Account | (1,666) | (28) | (1,694) |
| 4 | 179-153 | Base Service North T-Service TransCanada Capacity | 84 | 1 | 84 |
| 5 | 179-070 | Short-Term Storage and Other Balancing Services | 3,577 | 32 | 3,609 |
| 6 | 179-133 | Normalized Average Consumption | 18,997 | 239 | 19,237 |
| 7 | 179-132 | Deferral Clearing Variance Account | (3,120) | (45) | (3,166) |
| 8 | 179-151 | OEB Cost Assessment Variance Account | 907 | 11 | 919 |
| 9 | 179-103 | Unbundled Services Unauthorized Storage Overrun | - | - | - |
| 10 | 179-112 | Gas Distribution Access Rule Costs | - | - | - |
| 11 | 179-123 | Conservation Demand Management | - | - | - |
| 12 | 179-136 | Parkway West Project Costs | (603) | (6) | (610) |
| 13 | 179-137 | Brantford-Kirkwall/Parkway D Project Costs | (45) | (0) | (45) |
| 14 | 179-142 | Lobo C Compressor/Hamilton-Milton Pipeline Project Costs | 24 | 0 | 24 |
| 15 | 179-144 | Lobo D/Bright C/Dawn H Compressor Project Costs | (112) | (4) | (116) |
| 16 | 179-149 | Burlington-Oakville Project Costs | (51) | (1) | (52) |
| 17 | 179-156 | Panhandle Reinforcement Project Costs | (3,162) | (36) | (3,198) |
| 18 | 179-162 | Sudbury Replacement Project | - | - | - |
| 19 | 179-138 | Parkway Obligation Rate Variance | - | - | - |
| 20 | 179-143 | Unauthorized Overrun Non-Compliance Account | - | - | - |
| 21 | 179-157 | Pension and OPEB Forecast Accrual vs. Actual Cash Payment Differential V/A | - | (1,346) | (1,346) |
| 22 | 179-135 | Unaccounted for Gas Volume Variance Account | 20,501 | 177 | 20,678 |
| 23 | 179-141 | Unaccounted for Gas Price Variance Account | 3,358 | 32 | 3,390 |
| 24 | Total for Union Rate Zone Specific Accounts (Lines 1 through 23) | | <u>47,305</u> | <u>(895)</u> | <u>46,411</u> |
| 25 | 179-382 | Earnings Sharing (Union Rate Zone Portion) | - | - | - |
| 26 | 179-383 | Tax Variance - Accelerated CCA - (Union Rate Zone Portion) | (9,047) | (107) | (9,154) |
| 27 | 179-385 | IRP Operating Costs Deferral Account - (Union Rate Zone Portion) | 27 | 0 | 27 |
| 28 | 179-386 | IRP Capital Costs Deferral Account | - | - | - |
| 29 | 179-380 | Expansion of Natural Gas Distribution Systems V/A (Union Rate Zone Portion) | - | - | - |
| 30 | Total for EGI Accounts allocated to Union Rate Zone | | <u>(9,020)</u> | <u>(107)</u> | <u>(9,127)</u> |
| 31 | Total Union Rate Zone Deferral Account Balances (Line 24 + Line 30) | | <u>38,286</u> | <u>(1,002)</u> | <u>37,284</u> |

ENBRIDGE GAS INC.
Union Rate Zones
Classification and Allocation of Deferral and Variance Account Balances

| Line No. | Particulars (\$000's) | Acct No. | Union North | | | | | Union South | | | | | | | | | | | | | Excess Utility | | | | Total |
|--------------------------------------|--|----------|-------------|---------|---------|----------|---------|-------------|-------|-------|-------|------|-----|-----|-------|---------|------|---------|-----|------|----------------|---------|-------|-----|-------|
| | | | Rate 01 | Rate 10 | Rate 20 | Rate 100 | Rate 25 | M1 | M2 | M4 | M5A | M7 | M9 | M10 | T1 | T2 | T3 | M12 | M13 | C1 | M16 | M17 | | | |
| | | | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) | (k) | (l) | (m) | (n) | (o) | (p) | (q) | (r) | (s) | (t) | (u) | (v) | |
| <u>Gas Supply Related Deferrals:</u> | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1 | Upstream Transportation Optimization | 179-131 | 320 | 44 | 21 | - | 92 | 6,665 | 1,287 | 138 | 10 | 78 | 39 | 1 | - | - | - | - | - | - | - | - | 8,695 | | |
| 2 | Spot Gas Variance Account | 179-107 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | |
| 3 | Unabsorbed Demand Cost (UDC) Variance Account | 179-108 | (3,908) | (762) | (168) | - | - | 2,551 | 492 | 53 | 4 | 30 | 15 | 0 | - | - | - | - | - | - | - | (1,694) | | | |
| 4 | Base Service North T-Service TransCanada Capacity Account | 179-153 | - | - | 57 | 28 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 84 | | | |
| 5 | Total Gas Supply Related Deferrals | | (3,588) | (718) | (90) | 28 | 92 | 9,215 | 1,779 | 190 | 14 | 108 | 54 | 1 | - | - | - | - | - | - | - | 7,085 | | | |
| <u>Storage Related Deferrals:</u> | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6 | Short-Term Storage and Other Balancing Services | 179-70 | 493 | 139 | 76 | 2 | - | 1,124 | 424 | 190 | 2 | 106 | 20 | 0 | 81 | 859 | 92 | - | - | - | - | 3,609 | | | |
| <u>Delivery Related Deferrals:</u> | | | | | | | | | | | | | | | | | | | | | | | | | |
| 7 | Normalized Average Consumption (NAC) | 179-133 | 5,330 | 3,797 | - | - | - | 4,629 | 5,481 | - | - | - | - | - | - | - | - | - | - | - | - | 19,237 | | | |
| 8 | Deferral Clearing Variance Account - Delivery | 179-132 | (571) | (191) | 4 | 6 | 1 | (1,777) | (683) | 4 | 0 | 5 | 1 | 0 | 3 | 31 | 2 | - | - | - | - | (3,166) | | | |
| 9 | OEB Cost Assessment Variance Account | 179-151 | 184 | 16 | 14 | 12 | 6 | 464 | 43 | 16 | 18 | 5 | 1 | 0 | 12 | 33 | 4 | 86 | 0 | 3 | 2 | 0 | 919 | | |
| 10 | Unbundled Services Unauthorized Storage Overrun | 179-103 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | |
| 11 | Gas Distribution Access Rule (GDAR) Costs | 179-112 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | |
| 12 | Conservation Demand Management | 179-123 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | |
| 13 | Parkway West Project Costs | 179-136 | 4 | (8) | (1) | 2 | 1 | 103 | 4 | 3 | 3 | 0 | (0) | 0 | 4 | 19 | (1) | (748) | 0 | 1 | 3 | 0 | (610) | | |
| 14 | Brantford-Kirkwall/Parkway D Project Costs | 179-137 | (7) | (1) | (1) | (1) | (0) | (16) | (3) | (1) | (1) | (0) | (0) | (0) | (1) | (2) | (0) | (11) | (0) | (0) | (0) | - | (45) | | |
| 15 | Lobo C Compressor/Hamilton-Milton Pipeline Project Costs | 179-142 | (40) | (2) | (4) | (4) | (2) | (150) | (20) | (7) | (5) | (2) | (0) | (0) | (6) | (30) | (2) | 298 | (0) | (1) | (1) | (0) | - | | |
| 16 | Lobo D/Bright C/ Dawn H Compressor Project Costs | 179-144 | (108) | (4) | (6) | (7) | (3) | (368) | (39) | (12) | (13) | (4) | (0) | (0) | (15) | (73) | (3) | 559 | (0) | (7) | (8) | (1) | - | | |
| 17 | Burlington-Oakville Project Costs | 179-149 | (3) | (1) | (0) | (0) | (0) | (25) | (8) | (2) | (0) | (1) | (0) | (0) | (2) | (13) | (2) | 6 | 0 | 0 | 0 | 0 | (116) | | |
| 18 | Parhandle Reinforcement Project Costs | 179-156 | (31) | (5) | (4) | (3) | (1) | (696) | (236) | (255) | (6) | (56) | (0) | (0) | (169) | (1,240) | (1) | (33) | (0) | (0) | (381) | (80) | - | | |
| 19 | Sudbury Replacement Project | 179-162 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | |
| 20 | Parkway Obligation Rate Variance | 179-138 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | |
| 21 | Unauthorized Overrun Non-Compliance Account | 179-143 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | |
| 22 | Pension & OPEB Forecast Accrual vs Actual Cash Payment Differential Variance Account | 179-157 | (270) | (25) | (24) | (20) | (10) | (662) | (64) | (27) | (31) | (7) | (1) | (0) | (18) | (47) | (5) | (127) | (0) | (4) | (3) | (0) | - | | |
| 23 | Unaccounted for Gas (UFG) Volume Variance Account | 179-135 | 328 | 109 | 50 | - | 21 | 2,178 | 837 | 459 | 48 | 516 | 68 | 0 | 295 | 2,848 | 202 | 9,393 | 23 | - | 3,131 | 162 | 10 | | |
| 24 | Unaccounted for Gas (UFG) Price Variance Account | 179-141 | 190 | 63 | 29 | - | 12 | 1,260 | 484 | 266 | 28 | 298 | 39 | 0 | - | - | - | - | 13 | - | 687 | 21 | - | | |
| 25 | Tax Variance - Accelerated CCA - EGI | 179-383 | (1,627) | (251) | (178) | (137) | (49) | (3,553) | (538) | (134) | (114) | (47) | (9) | (0) | (93) | (410) | (54) | (1,888) | (1) | (53) | (17) | (2) | - | | |
| 26 | IRP Operating Costs Deferral Account - EGI | 179-385 | 5 | 1 | 1 | 0 | 0 | 11 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 6 | 0 | 0 | 0 | 0 | - | | |
| 27 | IRP Operating Costs Deferral Account - EGI | 179-386 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | |
| 28 | Total Delivery-Related Deferrals | | 3,384 | 3,498 | (120) | (152) | (24) | 1,397 | 5,262 | 308 | (72) | 708 | 97 | (0) | 10 | 1,117 | 139 | 7,541 | 35 | (61) | 3,414 | 100 | 10 | | |
| 29 | Total 2021 Storage and Delivery Disposition (Line 6 + Line 28) | | 3,877 | 3,638 | (45) | (150) | (24) | 2,522 | 5,686 | 498 | (70) | 814 | 117 | (0) | 91 | 1,977 | 231 | 7,541 | 35 | (61) | 3,414 | 100 | 10 | | |
| 30 | Total 2021 Deferral Account Disposition (Line 5 + Line 29) | | 288 | 2,920 | (134) | (122) | 68 | 11,737 | 7,465 | 688 | (57) | 922 | 170 | 1 | 91 | 1,977 | 231 | 7,541 | 35 | (61) | 3,414 | 100 | 10 | | |
| 31 | Earnings Sharing Deferral Account - EGI | 179-382 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | |
| 32 | Grand Total (Line 30 + Line 31) | | 288 | 2,920 | (134) | (122) | 68 | 11,737 | 7,465 | 688 | (57) | 922 | 170 | 1 | 91 | 1,977 | 231 | 7,541 | 35 | (61) | 3,414 | 100 | 10 | | |

ENBRIDGE GAS INC.
Union Rate Zones
Allocation of 2021 Gas Supply Related Deferral Accounts by Union North East and Union North West

| Line No. | Particulars (\$000's) | Acct No. | Rate 01 | Rate 10 | Rate 20 | Rate 100 | Rate 25 | Total |
|--------------------------------------|---|----------|----------------|--------------|--------------|----------|------------|-----------------|
| | | (a) | (b) | (c) | (d) | (e) | (f) | (g) = (sum b:f) |
| <u>Union North West</u> | | | | | | | | |
| <u>Gas Supply Related Deferrals:</u> | | | | | | | | |
| 1 | Spot Gas Variance Account | 179-107 | - | - | - | - | - | - |
| 2 | Unabsorbed Demand Cost (UDC) Variance Account | 179-108 | (3,883) | (756) | (167) | - | - | (4,806) |
| 3 | Upstream Transportation Optimization | 179-131 | 716 | 175 | 80 | - | 100 | 1,072 |
| 4 | Total Gas Supply Related Deferrals | | <u>(3,167)</u> | <u>(581)</u> | <u>(87)</u> | <u>-</u> | <u>100</u> | <u>(3,735)</u> |
| <u>Storage Related Deferrals:</u> | | | | | | | | |
| 5 | Short-Term Storage and Other Balancing Services (1) | 179-70 | 141 | 35 | 7 | - | - | 183 |
| 6 | Total North West Deferral Account Disposition (Line 6 + Line 7) | | <u>(3,026)</u> | <u>(546)</u> | <u>(80)</u> | <u>-</u> | <u>100</u> | <u>(3,552)</u> |
| <u>Union North East</u> | | | | | | | | |
| <u>Gas Supply Related Deferrals:</u> | | | | | | | | |
| 7 | Spot Gas Variance Account | 179-107 | - | - | - | - | - | - |
| 8 | Unabsorbed Demand Cost (UDC) Variance Account | 179-108 | (25) | (6) | (1) | - | - | (32) |
| 9 | Upstream Transportation Optimization | 179-131 | (396) | (131) | (59) | - | (8) | (594) |
| 10 | Total Gas Supply Related Deferrals | | <u>(421)</u> | <u>(137)</u> | <u>(60)</u> | <u>-</u> | <u>(8)</u> | <u>(626)</u> |
| <u>Storage Related Deferrals:</u> | | | | | | | | |
| 11 | Short-Term Storage and Other Balancing Services (1) | 179-70 | 352 | 104 | 46 | - | - | 502 |
| 12 | Total North East Deferral Account Disposition (Line 14 + Line 15) | | <u>(69)</u> | <u>(33)</u> | <u>(14)</u> | <u>-</u> | <u>(8)</u> | <u>(124)</u> |
| <u>Total North</u> | | | | | | | | |
| <u>Gas Supply Related Deferrals:</u> | | | | | | | | |
| 13 | Spot Gas Variance Account | 179-107 | - | - | - | - | - | - |
| 14 | Unabsorbed Demand Cost (UDC) Variance Account | 179-108 | (3,908) | (762) | (168) | - | - | (4,839) |
| 15 | Upstream Transportation Optimization | 179-131 | 320 | 44 | 21 | - | 92 | 478 |
| 16 | Total North Gas Supply Related Deferrals | | <u>(3,588)</u> | <u>(718)</u> | <u>(147)</u> | <u>-</u> | <u>92</u> | <u>(4,361)</u> |
| <u>Storage Related Deferrals:</u> | | | | | | | | |
| 17 | Short-Term Storage and Other Balancing Services (1) | 179-70 | 493 | 139 | 53 | - | - | 685 |
| 18 | Total North Deferral Account Disposition (Line 22 + Line 23) | | <u>(3,095)</u> | <u>(579)</u> | <u>(94)</u> | <u>-</u> | <u>92</u> | <u>(3,676)</u> |

Notes:

(1) Excludes allocation to Rate 20/100 bundled storage service.

ENBRIDGE GAS INC.
Union Rate Zones
Unit Rates for One-Time Adjustment - Delivery
2021 Deferral Account Disposition

| Line No. | Particulars | Rate Class | 2021 Deferral Balances (\$000's) (a) | 2021 Earnings Sharing Mechanism (\$000's) (b) | Deferral Balance for Disposition (\$000's) (c) = (a + b) | 2021 Actual Volume (10 ³ m ³) (d) | Unit Rate (cents/m ³) (e) = (c / d) * 100 |
|-------------|--------------------------------|---------------|--|--|---|--|---|
| | <u>Union North</u> | | | | | | |
| 1 | Small Volume General Service | 01 | 3,877 | - | 3,877 | 929,941 | 0.4169 |
| 2 | Large Volume General Service | 10 | 3,638 | - | 3,638 | 311,794 | 1.1667 |
| 3 | Medium Volume Firm Service | 20 | (68) | - | (68) | 637,600 | (0.0106) |
| 4 | Large Volume High Load Factor | 100 | (152) | - | (152) | 958,587 | (0.0159) |
| 5 | Large Volume Interruptible | 25 | (24) | - | (24) | 143,898 | (0.0167) |
| | <u>Union South</u> | | | | | | |
| 6 | Small Volume General Service | M1 | 2,522 | - | 2,522 | 2,897,087 | 0.0870 |
| 7 | Large Volume General Service | M2 | 5,686 | - | 5,686 | 1,113,864 | 0.5105 |
| 8 | Firm Com/Ind Contract | M4 | 498 | - | 498 | 610,808 | 0.0815 |
| 9 | Interruptible Com/Ind Contract | M5 | (70) | - | (70) | 63,511 | (0.1108) |
| 10 | Special Large Volume Contract | M7 | 814 | - | 814 | 686,353 | 0.1186 |
| 11 | Large Wholesale | M9 | 117 | - | 117 | 90,096 | 0.1295 |
| 12 | Small Wholesale | M10 | (0) | - | (0) | 320 | (0.0128) |
| 13 | Contract Carriage Service | T1 | 91 | - | 91 | 453,007 | 0.0202 |
| 14 | Contract Carriage Service | T2 | 1,977 | - | 1,977 | 4,700,474 | 0.0420 |
| 15 | Contract Carriage- Wholesale | T3 | 231 | - | 231 | 241,187 | 0.0958 |

ENBRIDGE GAS INC.
Union Rate Zones
Unit Rates for One-Time Adjustment - Gas Supply Commodity
2021 Deferral Account Disposition

| Line No. | Particulars | Rate Class | 2021 Deferral Balances (\$000's) (a) | 2021 Earnings Sharing Mechanism (\$000's) (b) | Deferral Balance for Disposition (\$000's) (c) = (a + b) | 2021 Actual Volume (10 ³ m ³) (d) | Unit Rate (cents/m ³) (e) = (c / d) * 100 |
|-------------|--------------------------------|---------------|--|--|---|--|---|
| 1 | Small Volume General Service | M1 | 9,215 | - | 9,215 | 2,728,007 | 0.3378 |
| 2 | Large Volume General Service | M2 | 1,779 | - | 1,779 | 526,743 | 0.3378 |
| 3 | Firm Com/Ind Contract | M4 | 190 | - | 190 | 56,304 | 0.3378 |
| 4 | Interruptible Com/Ind Contract | M5 | 14 | - | 14 | 4,043 | 0.3378 |
| 5 | Special Large Volume Contract | M7 | 108 | - | 108 | 31,987 | 0.3378 |
| 6 | Large Wholesale | M9 | 54 | - | 54 | 15,903 | 0.3378 |
| 7 | Small Wholesale | M10 | 1 | - | 1 | 320 | 0.3378 |

ENBRIDGE GAS INC.
Union Rate Zones
Unit Rates for One-Time Adjustment - Gas Supply Transportation and Bundled Storage
2021 Deferral Account Disposition

| Line No. | Particulars | Rate Class | 2021 Deferral Balances (\$000's) (a) | 2021 Earnings Sharing Mechanism (\$000's) (b) | Deferral Balance for Disposition (\$000's) (c) = (a + b) | 2021 Actual Volume/ Demand (d) | Billing Units | Unit Volumetric/ Demand Rate (cents/m ³) (e) = (c / d) * 100 |
|--|---|------------|---|--|---|-----------------------------------|-----------------------------------|--|
| <u>Gas Supply Transportation Charges</u> | | | | | | | | |
| <u>Union North West</u> | | | | | | | | |
| 1 | Small Volume General Service | 01 | (3,167) | - | (3,167) | 262,912 | 10 ³ m ³ | (1.2045) |
| 2 | Large Volume General Service | 10 | (581) | - | (581) | 69,572 | 10 ³ m ³ | (0.8354) |
| 3 | Medium Volume Firm Service | 20 | (87) | - | (87) | 1,764 | 10 ³ m ³ /d | (4.9257) |
| 4 | Large Volume Interruptible | 25 | 100 | - | 100 | 57,362 | 10 ³ m ³ | 0.1752 |
| <u>Union North East</u> | | | | | | | | |
| 5 | Small Volume General Service | 01 | (421) | - | (421) | 667,029 | 10 ³ m ³ | (0.0632) |
| 6 | Large Volume General Service | 10 | (137) | - | (137) | 238,396 | 10 ³ m ³ | (0.0575) |
| 7 | Medium Volume Firm Service | 20 | (60) | - | (60) | 6,630 | 10 ³ m ³ /d | (0.8996) |
| 8 | Large Volume Interruptible | 25 | (8) | - | (8) | 21,827 | 10 ³ m ³ | (0.0382) |
| 9 | North T-Service Transportation from Dawn Base Service (\$/GJ) | 20T/100T | 84 | - | 84 | 264,264 | GJ/d | 0.320 |
| <u>Storage (\$/GJ)</u> | | | | | | | | |
| 10 | Bundled-T Storage Service | 20T/100T | 25 | - | 25 | 141,504 | GJ/d | 0.179 |

ENBRIDGE GAS INC.
Union Rate Zones
Storage and Transportation Service Amounts for Disposition
2021 Deferral Account Disposition

| Line No. | Particulars (\$000's) (1) | Rate Class | 2021 Deferral Balances (a) | 2021 Earnings Sharing Mechanism (b) | Deferral Balance for Disposition (c) = (a + b) |
|-------------|--|---------------|-------------------------------------|---|--|
| 1 | Transportation | M12 | 7,541 | - | 7,541 |
| 2 | Transportation of Locally Produced Gas | M13 | 35 | - | 35 |
| 3 | Cross Franchise Transportation | C1 | 3,414 | - | 3,414 |
| 4 | Storage and Transportation Services | M16 | 100 | - | 100 |
| 5 | Transporation Service | M17 | 10 | - | 10 |

Notes:

(1)

Ex-franchise customer specific amounts determined using approved deferral account allocation methodologies.

ENBRIDGE GAS INC.
Union Rate Zones
Calculation of One-Time Adjustments for Typical General Service Customers

| Line No. | Particulars | Deferral Unit Rate (cents/m ³) (a) | Volume (m ³) (1) (b) | Bill Impact (\$) (c) = (a x b) / 100 |
|-------------------------------------|------------------------------------|---|-------------------------------------|---|
| <u>Small Volume General Service</u> | | | | |
| <u>Rate M1 - Union South</u> | | | | |
| 1 | Delivery | 0.0870 | 2,200 | 1.91 |
| 2 | Commodity | 0.3378 | 2,200 | 7.43 |
| 3 | Sales Service Impact | 0.4248 | | 9.34 |
| 4 | Direct Purchase Impact | | | 1.91 |
| <u>Rate 01 - Union North West</u> | | | | |
| 5 | Delivery | 0.4169 | 2,200 | 9.17 |
| 6 | Commodity | - | 2,200 | - |
| 7 | Transportation | (1.2045) | 2,200 | (26.50) |
| 8 | Sales Service Impact | (0.7877) | | (17.33) |
| 9 | Bundled-T (Direct Purchase) Impact | | | (17.33) |
| <u>Rate 01 - Union North East</u> | | | | |
| 10 | Delivery | 0.4169 | 2,200 | 9.17 |
| 11 | Commodity | - | 2,200 | - |
| 12 | Transportation | (0.0632) | 2,200 | (1.39) |
| 13 | Sales Service Impact | 0.3537 | | 7.78 |
| 14 | Bundled-T (Direct Purchase) Impact | | | 7.78 |
| <u>Large Volume General Service</u> | | | | |
| <u>Rate M2 - Union South</u> | | | | |
| 15 | Delivery | 0.5105 | 73,000 | 372.65 |
| 16 | Commodity | 0.3378 | 73,000 | 246.60 |
| 17 | Sales Service Impact | 0.8483 | | 619.25 |
| 18 | Direct Purchase Impact | | | 372.65 |
| <u>Rate 10 - Union North West</u> | | | | |
| 19 | Delivery | 1.1667 | 93,000 | 1,085.06 |
| 20 | Commodity | - | 93,000 | - |
| 21 | Transportation | (0.8354) | 93,000 | (776.97) |
| 22 | Sales Service Impact | 0.3313 | | 308.09 |
| 23 | Bundled-T (Direct Purchase) Impact | | | 308.09 |
| <u>Rate 10 - Union North East</u> | | | | |
| 24 | Delivery | 1.1667 | 93,000 | 1,085.06 |
| 25 | Commodity | - | 93,000 | - |
| 26 | Transportation | (0.0575) | 93,000 | (53.46) |
| 27 | Sales Service Impact | 1.1092 | | 1,031.60 |
| 28 | Bundled-T (Direct Purchase) Impact | | | 1,031.60 |

Notes:

(1) Average consumption, per customer, for the period January 1, 2021 to December 31, 2021.

ENBRIDGE GAS INC.
Union Rate Zones
Calculation of One-Time Adjustments for Typical Small and Large Customers

| Line No. | Particulars | Deferral Unit Rate (cents/m ³) (a) | Billing Units (m ³) (b) | Bill Impact (\$ (1)) (c) |
|---|------------------------------------|--|---|--------------------------------|
| <u>Union North</u> | | | | |
| <u>Small Rate 20 - Union North West</u> | | | | |
| 1 | Delivery | (0.0106) | 3,000,000 | (318) |
| 2 | Transportation | (4.9257) | 14,000 | (8,275) |
| 3 | Sales Service Impact | (4.9363) | | (8,593) |
| 4 | Bundled-T (Direct Purchase) Impact | | | (8,593) |
| <u>Large Rate 20 - Union North West</u> | | | | |
| 5 | Delivery | (0.0106) | 15,000,000 | (1,590) |
| 6 | Transportation | (4.9257) | 60,000 | (35,465) |
| 7 | Sales Service Impact | (4.9363) | | (37,055) |
| 8 | Bundled-T (Direct Purchase) Impact | | | (37,055) |
| <u>Small Rate 20 - Union North East</u> | | | | |
| 9 | Delivery | (0.0106) | 3,000,000 | (318) |
| 10 | Transportation | (0.8996) | 14,000 | (1,511) |
| 11 | Sales Service Impact | (0.9102) | | (1,829) |
| 12 | Bundled-T (Direct Purchase) Impact | | | (1,829) |
| <u>Large Rate 20 - Union North East</u> | | | | |
| 13 | Delivery | (0.0106) | 15,000,000 | (1,590) |
| 14 | Transportation | (0.8996) | 60,000 | (6,477) |
| 15 | Sales Service Impact | (0.9102) | | (8,067) |
| 16 | Bundled-T (Direct Purchase) Impact | | | (8,067) |
| <u>Average Rate 25 - Union North West</u> | | | | |
| 17 | Delivery | (0.0167) | 2,275,000 | (380) |
| 18 | Transportation | 0.1752 | 2,275,000 | 3,985 |
| 19 | Sales Service Impact | 0.1585 | | 3,605 |
| 20 | Bundled-T (Direct Purchase) Impact | | | 3,605 |
| <u>Average Rate 25 - Union North East</u> | | | | |
| 21 | Delivery | (0.0167) | 2,275,000 | (380) |
| 22 | Transportation | (0.0382) | 2,275,000 | (869) |
| 23 | Sales Service Impact | (0.0549) | | (1,249) |
| 24 | Bundled-T (Direct Purchase) Impact | | | (1,249) |
| <u>Small Rate 100</u> | | | | |
| 25 | T-Service (Direct Purchase) Impact | (0.0159) | 27,000,000 | (4,286) |
| <u>Large Rate 100</u> | | | | |
| 26 | T-Service (Direct Purchase) Impact | (0.0159) | 240,000,000 | (38,094) |
| <u>Union South</u> | | | | |
| <u>Small Rate M4</u> | | | | |
| 27 | Delivery | 0.0815 | 875,000 | 713 |
| 28 | Commodity | 0.3378 | 875,000 | 2,956 |
| 29 | Sales Service Impact | 0.4193 | | 3,669 |
| 30 | Direct Purchase Impact | | | 713 |
| <u>Large Rate M4</u> | | | | |
| 31 | Delivery | 0.0815 | 12,000,000 | 9,779 |
| 32 | Commodity | 0.3378 | 12,000,000 | 40,536 |
| 33 | Sales Service Impact | 0.4193 | | 50,315 |
| 34 | Direct Purchase Impact | | | 9,779 |

Notes:

(1) Transportation bill impacts based on monthly demand (m³/d).

ENBRIDGE GAS INC.
Union Rate Zones
Calculation of One-Time Adjustments for Typical Small and Large Customers

| Line No. | Particulars | Deferral Unit Rate (cents/m ³) (b) | Billing Units (m ³) (c) | Bill Impact (\$) (1) (d) |
|------------------------------------|------------------------|--|---|-----------------------------------|
| <u>Union South (continued)</u> | | | | |
| <u>Small Rate M5 Interruptible</u> | | | | |
| 1 | Delivery | (0.1108) | 825,000 | (914) |
| 2 | Commodity | 0.3378 | 825,000 | 2,787 |
| 3 | Sales Service Impact | 0.2270 | | 1,873 |
| 4 | Direct Purchase Impact | | | (914) |
| <u>Large Rate M5 Interruptible</u> | | | | |
| 5 | Delivery | (0.1108) | 6,500,000 | (7,200) |
| 6 | Commodity | 0.3378 | 6,500,000 | 21,957 |
| 7 | Sales Service Impact | 0.2270 | | 14,757 |
| 8 | Direct Purchase Impact | | | (7,200) |
| <u>Small Rate M7</u> | | | | |
| 9 | Delivery | 0.1186 | 36,000,000 | 42,695 |
| 10 | Commodity | 0.3378 | 36,000,000 | 121,609 |
| 11 | Sales Service Impact | 0.4564 | | 164,304 |
| 12 | Direct Purchase Impact | | | 42,695 |
| <u>Large Rate M7</u> | | | | |
| 13 | Delivery | 0.1186 | 52,000,000 | 61,671 |
| 14 | Commodity | 0.3378 | 52,000,000 | 175,658 |
| 15 | Sales Service Impact | 0.4564 | | 237,329 |
| 16 | Direct Purchase Impact | | | 61,671 |
| <u>Small Rate M9</u> | | | | |
| 17 | Delivery | 0.1295 | 6,950,000 | 9,002 |
| 18 | Commodity | 0.3378 | 6,950,000 | 23,477 |
| 19 | Sales Service Impact | 0.4673 | | 32,480 |
| 20 | Direct Purchase Impact | | | 9,002 |
| <u>Large Rate M9</u> | | | | |
| 21 | Delivery | 0.1295 | 20,178,000 | 26,136 |
| 22 | Commodity | 0.3378 | 20,178,000 | 68,162 |
| 23 | Sales Service Impact | 0.4673 | | 94,298 |
| 24 | Direct Purchase Impact | | | 26,136 |
| <u>Rate M10</u> | | | | |
| 25 | Delivery | (0.0128) | 94,500 | (12) |
| 26 | Commodity | 0.3378 | 94,500 | 319 |
| 27 | Sales Service Impact | 0.3250 | | 307 |
| 28 | Direct Purchase Impact | | | (12) |
| <u>Small Rate T1</u> | | | | |
| 29 | Direct Purchase Impact | 0.0202 | 7,537,000 | 1,521 |
| <u>Average Rate T1</u> | | | | |
| 30 | Direct Purchase Impact | 0.0202 | 11,565,938 | 2,334 |
| <u>Large Rate T1</u> | | | | |
| 31 | Direct Purchase Impact | 0.0202 | 25,624,080 | 5,171 |
| <u>Small Rate T2</u> | | | | |
| 32 | Direct Purchase Impact | 0.0420 | 59,256,000 | 24,917 |
| <u>Average Rate T2</u> | | | | |
| 33 | Direct Purchase Impact | 0.0420 | 197,789,850 | 83,169 |
| <u>Large Rate T2</u> | | | | |
| 34 | Direct Purchase Impact | 0.0420 | 370,089,000 | 155,620 |
| <u>Large Rate T3</u> | | | | |
| 35 | Direct Purchase Impact | 0.0958 | 272,712,000 | 261,162 |

Notes:

(1) Transportation bill impacts based on monthly demand (m³/d).

2021 SCORECARD RESULTS – ENBRIDGE GAS

1. The purpose of the scorecard is to measure and monitor performance over the deferred rebasing period. The scorecard is produced annually, with 2021 being the third presentation of the scorecard for the amalgamated utility. Within EB-2021-1049, the OEB found that scorecard provides valuable information during the deferral rebasing period and accepted Enbridge Gas's plans to improve the results of the two metrics that did not meet the performance standard in 2020. The OEB found that the 2024 rebasing proceeding is the appropriate time to review historical performance trends and consider customer implications prior to making any adjustments to the performance scorecard.
2. In 2019 and 2020 there was a positive performance trend for all but two metrics: Time to Reschedule a Missed Appointment (TRMA) and the Meter Reading Performance Metric (MRPM). In 2021 Enbridge Gas continued to demonstrate the positive performance trend for 16 out of 20 metrics. There continued to be challenges meeting the performance standard for TRMA and MRPM and in addition, Enbridge Gas did not meet the performance standard for Call Answering Service Levels (CASL) and Abandon Rate. The challenges meeting the target for two additional metrics is viewed as an anomaly as historically targets are exceeded for the metrics. Enbridge Gas continues to work to improve the results of all scorecard metrics through ongoing reporting of results, identifying the root cause for variances, and implementing initiatives targeting areas where improvement can be made.
3. Three of the four metrics that are below performance standard for 2021 were impacted by COVID-19 pandemic restrictions and the amalgamation of utility systems and processes. Enbridge Gas has developed plans and strategies to improve results and performance in each area.

4. The TRMA metric tracks the percentage of customers contacted to reschedule the work within two hours of the end of the original appointment time. The annual standard for TRMA is 100% and Enbridge Gas achieved 97.0% in 2021. This is consistent with prior year results which were 97.0% in 2019 and 97.3% in 2020. Efforts toward meeting the TRMA target of 100% are ongoing. A cross functional team meets regularly to review performance on this metric, to address issues, and to re-inforce training when necessary. Regional management teams meet monthly to drive performance as well. While Enbridge Gas acknowledges that promptly rescheduling missed appointments is an important part of achieving the SQR and customer service, attainment of a perfect 100% is not always possible. TRMA is the only Scorecard metric with a target of 100%; and does not allow for human error.
5. The MRPM represents the number of meters with no read for four consecutive months or more divided by the total number of active meters to be read. The target for the metric is 0.5% and Enbridge Gas achieved a level of 5.0% in 2021. The result for 2019 was 0.7% and 4.4% in 2020. Enbridge Gas has faced challenges meeting the target since 2019 for several reasons, including the decision of a key meter reading vendor to no longer provide meter reading service resulting in the need to onboard a new vendor. Since March 2020, the Covid pandemic has presented additional challenges including closed businesses, increased customer sensitivity to contact with meter readers, and access issues during periods of lockdown. In addition, extreme weather events such as freezing rain, flooding, and heavy snowfall limited the ability to travel to properties and read meters. The new vendor was also still transitioning and learning the business in addition to experiencing ongoing staffing challenges including resourcing issues and illness/absence due to Public Health isolation/quartine requirements. These challenges continued into 2021. Despite the ongoing efforts of Enbridge Gas to improve the performance standard, the MRPM target of 0.5% will be challenging due to sheer size and geographic

reach, especially when complicated by variables such as extreme weather. Enbridge Gas continues to work to meet the performance metric through a mitigation plan that includes various methods to attain reads including: meter reading partners increasing hiring, working additional hours and knocking on doors to obtain reads; customer outreach through social media, monthly emails and texts to customers asking them to submit a reading; requesting a reading from customers when they contact the call centre; and engaging the Enbridge Gas Quality Assurance team to review consecutive estimates.

6. The CASL metric measures the number of calls reaching the general inquiry number answered within 30 seconds divided by the number of calls received. The yearly performance standard for Call Answering Service Level is 75% with a minimum monthly standard of 40%. The 2021 result was 64.3%. The 2021 result is viewed as an anomaly and not consistent with historical performance of 79.0% in 2019 and 75.2% in 2020. In July 2021, EGI harmonized the two legacy utilities Customer Information Systems (CIS), which involved moving 1.6M customers and their associated data from one CIS system to the other. In addition, the telephony system (IVR) was changed. Several changes, both pre and post integration, resulted in an increase in call volumes. Calls ranged from questions about passwords and account numbers to complex and extended calls. Covid has also impacted the contact centres due to increased illness and absence. To improve performance on the CASL metric, Enbridge Gas has identified and implemented several initiatives including recruiting temporary employees to assist with high call volumes, a post integration review of telephony (IVR) to ensure customer experience and decrease wait times, and a review of contact centre and billing processes. Enbridge Gas is committed to providing excellent customer service to all customers and in doing so meeting the performance standard of answering 75% of calls within 30 seconds.

7. The measure Abandon Rate is the percentage of callers who hang up while waiting for a live operator. The annual standard is not to exceed 10%. The 2021 result was 16.0%. As with the CASL metric, the 2021 result is viewed as an anomaly with historical performance of 2.5% in 2019 and 5.4% in 2020, exceeding the performance standard. The Abandon Rate metric was also impacted by the integration of systems in 2021 and the Covid pandemic. The increase in call volumes and staffing issues due to illness resulted in an increase in wait times driving the increased abandon rate. The mitigation plans in place for CASL will assist with reducing the abandoned call metric to less than 10%.
8. The OEB has found that Enbridge Gas's 2024 rebasing proceeding is the appropriate time to review historical performance trends and consider the customer implications before making any adjustments to the performance scorecard.¹ Enbridge Gas will be proposing changes to the scorecard in that proceeding to the TRMA metric and the MRPM.

¹ EB-2021-0149, OEB Decision and Order, Enbridge Gas – 2020 DVA & Earning Sharing Proceeding (January 27, 2022), page 12.

EGI SCORECARD 2021

| Performance Measure | | Target | Actual | Actual | Actual |
|---|--|--------|--|--|--|
| | | | 2021 | 2020 | 2019 |
| # CUSTOMER FOCUS (Service Quality & Customer Satisfaction) | | | | | |
| 1 | Reconnection Response Time (# of days to reconnect a customer) (# of reconnections completed within 2 business days/# of reconnections completed) | 85.0% | 96.9% | 98.9% | 98.1% |
| 2 | Scheduled appointments met on time (appointments met within designated time period) (# of appointments met within 4hrs of the scheduled date/# of appointments scheduled in the month) | 85.0% | 94.5% | 98.8% | 98.5% |
| 3 | Telephone calls answered on time (call answering service level) (# of calls answered within 30 seconds / # of calls received) | 75.0% | 64.3% | 75.2% | 79.0% |
| 4 | Customer Complaint Written Response (# of days to provide a written response) # of complaints requiring response within 10 days / # of complaints requiring a written response | 80.0% | 100.0% | 100.0% | 100.0% |
| 5 | Billing accuracy 'The requirement states that utilities should complete manual checks of their bills to verify data when a meter read demonstrates excessively high or low usage.' | | 384,858 manual checks completed as per QAP | 427,524 manual checks completed as per QAP | 429,386 manual checks completed as per QAP |
| 6 | Abandon Rate (# of calls abandon rate) (# of calls abandoned while waiting for a live agent / # of calls requesting to speak to a live agent) | 10.0% | 16.0% | 5.4% | 2.5% |
| 7 | Time to Reschedule Missed Appointments (% of rescheduled work within 2 hours of the end of the original appointment time) | 100.0% | 97.0% | 97.3% | 97.0% |
| OPERATIONAL EFFECTIVENESS (Safety, System Reliability, Asset Management & Cost Control) | | | | | |
| 8 | Meter Reading Performance # of meters with no read for 4 consecutive months / # of active meters to be read | 0.5% | 5.0% | 4.4% | 0.7% |
| 9 | % of Emergency Calls Responded within One Hour (# of emergency calls responded within 60 minutes / # of emergency calls) | 90.0% | 95.2% | 96.7% | 96.7% |
| 10 | Compression Reliability % reliable for transmission compression | | 99.7% | 99.7% | 99.9% |
| 11 | Damages per 1000 locate requests | | 1.95 | 2.22 | 1.97 |
| 12 | Total Cost per Customer (\$ / Customer) | | 643.9 | 658.2 | 653.6 |
| 13 | Total Cost per km of Distribution Pipe (\$ / km of Distribution Pipe) | | 16639.6 | 16928.5 | 16735.4 |
| PUBLIC POLICY RESPONSIVENESS (Conservation & Demand Management & Connection of Renewable Generation) | | | | | |
| 14 | Total Cumulative Cubic Meters of Natural Gas Saved (Net) (Millions) | | | | 2075.9 |
| FINANCIAL PERFORMANCE (Financial Ratios) | | | | | |
| 15 | Current Ratio (Current Assets / Current Liabilities) | | 0.71 | 0.66 | 0.75 |
| 16 | Debt Ratio (Total Debt / Total Assets) | | 0.41 | 0.40 | 0.40 |
| 17 | Debt to Equity Ratio (Total Debt / Shareholders' Equity) | | 1.06 | 1.01 | 0.98 |
| 18 | Interest Coverage (EBIT / Interest Charges) | | 2.55 | 2.34 | 2.53 |
| 19 | Financial Statement Return on Assets (Net Income / Total Assets) | | 2.07% | 1.97% | 2.25% |
| 20 | Financial Statement Return on Equity (Net Income / Shareholders' Equity) | | 5.32% | 4.96% | 5.56% |



INTEGRATED RESOURCE PLANNING

2021 Annual Report

Enbridge Gas Inc.
May 31, 2022

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1. Introduction:

This inaugural Enbridge Gas Inc. (“Enbridge Gas”) 2021 IRP Annual Report (the “Report”) encompasses the period from July 22, 2021, through December 31, 2021.¹ Where appropriate, Enbridge Gas has included information on relevant IRP-related activities subsequent to the end of the 2021. This Report has been filed per the Ontario Energy Board’s (“OEB”) Integrated Resource Planning (“IRP”) Decision and Order (dated July 22, 2021) establishing an IRP Framework for Enbridge Gas (the “Framework”), where the OEB directed:

“Enbridge Gas shall file an Annual IRP Report with the OEB as part of its annual Non-Commodity Deferral Account Clearance and Earnings Sharing Mechanism application, the proceeding in which it may seek disposition of balances in the IRP Costs deferral accounts.

The OEB does not intend to approve the annual IRP report, but it could impact the OEB’s findings on the disposition of amounts in the IRP Costs deferral accounts or inform future proceedings.

The annual IRP report and the report from the IRP Technical Working Group are to be filed for information regardless of whether Enbridge Gas is seeking approval to clear any balances in the IRP Costs deferral accounts. The annual IRP report should include the following information:

- A summary of IRP stakeholding activities from the past year
- A summary of IRP engagement or consultation activities with Indigenous peoples
- Updates on IRP pilot projects underway
- Updates on incorporating IRP into asset management planning
- Updates on status of potential IRP Plans
- Updates on status of approved IRP Plans, including details of adjustments made by Enbridge Gas
- Annual and cumulative summaries of actual peak demand reductions/energy savings generated by each IRP Plan to-date, including comparisons to the initial forecast reduction/energy savings and the actual amount of expenditure on each IRP Plan to-date
- The most recent results of Enbridge Gas’s IRP Assessment Process for system needs, including reporting on those system needs where a negative binary screening or technical/economic evaluation resulted in no further assessment of IRPAs
- A summary of best available information on demand-side IRPAs, including types of IRPAs, estimates of cost, peak demand savings, status in Ontario, potential role and relevance to Enbridge Gas’s system, and learnings from pilot projects and other jurisdictions
- Efforts taken to explore the use of interruptible rates for meeting system needs, including how customers have been provided the opportunity to consider this option
- Any other IRP-related matters established by the OEB.”²

¹ Future IRP annual reports will include the full calendar year.

² EB-2020-0091, Decision and Order, Appendix A, p. 22

2. IRP Integration

The establishment of the Framework has allowed Enbridge Gas to commence formally integrating IRP into its existing planning practices. Accordingly, Enbridge Gas reviewed its distribution and transmission planning practices and implemented changes including, implementation of the OEB approved IRP assessment process, and stakeholder engagement activities. In addition, Enbridge Gas is expanding existing processes to enable the effective evaluation and implementation of IRP alternative³ (“IRPA”) pilot and non-pilot projects.

In support of these integration activities Enbridge Gas is guided by the Guiding Principles established by the OEB in the IRP Decision:

- “Reliability and safety – In considering IRPAs as part of system planning processes, Enbridge Gas’s system design principles cannot be compromised, and the reliable and safe delivery of firm contracted peak period natural gas volumes to Enbridge Gas’s customers must remain of paramount importance.
- Cost-effectiveness – IRPAs must be cost-effective (competitive) compared to traditional Facility Alternatives⁴ and other IRPAs, including taking into account impacts on Enbridge Gas customers.
- Public policy – IRP will be considered in a manner to ensure that it is supportive of and aligned with public policy, and in particular the OEB’s statutory objectives for the natural gas sector.
- Optimized scoping – Recognizing that reviewing IRPAs for every forecast infrastructure project would be extremely time intensive, binary screening should be undertaken, to confirm which forecast need(s) should undergo evaluation of IRPAs, and to ensure a focus at the outset on efficient and effective IRPA investment.
- Risk management – Economic risks associated with both Facility Alternatives and IRPAs in meeting system needs are evaluated and appropriately mitigated. Risks and rewards are allocated appropriately between Enbridge Gas and its customers.”⁵

More detailed discussion of the steps towards IRP integration taken by Enbridge Gas follow:

Stakeholder Engagement

Stakeholder engagement activities are ongoing. Following the completion and filing of the Company’s 2023-2032 Asset Management Plan (“AMP”) in the fall of 2022, Enbridge Gas will commence IRP-related regional and geo-targeted stakeholder engagement. Stakeholder feedback received through these engagement activities will be reviewed and responded to (where appropriate) and will inform the Company’s consideration and development of potential IRP projects as well as future AMPs. For

³ The types of eligible alternatives are described in EB-2020-0091, Decision and Order, Section 7

⁴ Per the IRP Framework (EB-2020-0091, Appendix A, p.4), Facility Alternative is “synonymous with a traditional or conventional facility project”

⁵ EB-2020-0091, Decision and Order, p.27-28

a summation of the stakeholder engagement activities undertaken in 2021 see Section 4: Stakeholder and Indigenous Engagement Update.

Forecasting and Planning

Enbridge Gas regularly updates its long-term peak demand forecast and AMP (both comprehensive and limited updates depending upon timing and purpose). The objective of peak demand forecasting, and planning is to amass data, input, and insights to identify potential future system needs and constraints as well as their magnitude and timing. Early identification of future system needs and constraints is critical as the Company is obligated to reliably serve the firm contracted peak period demands of its customers.

A comprehensive discussion of Enbridge Gas' forecast and planning processes and any changes that have been made as a result of the establishment and implementation of the Framework will be filed in the Company's 2024 Rate Rebasing application in fall of 2022.

Need Identification

Following the completion of the forecasting process, Enbridge Gas compares the future forecast to the capacities of its existing facilities. A new system need/constraint is identified when Enbridge Gas determines that its current facilities cannot balance the new peak demand forecast with existing system facilities safely and reliably. When a constraint is initially identified, Enbridge Gas will verify its model with existing actual physical data, including pressure and temperature compensated consumption or flow, to ensure that the constraint is properly forecasted.

Baseline Facility Setting

Following the identification of a system need, Enbridge Gas develops the baseline facility that is required to meet the system need, absent any non-facility or IRPAs. It is necessary to understand this baseline facility as early as possible, as it provides a helpful point of comparison for other alternatives including IRPAs.

Binary Screening

Following the identification of a system need, Enbridge Gas will review the need relative to the Binary Screening Criteria established by the OEB in the Framework. If the system need passes Binary Screening, Enbridge Gas will then review and assess IRPAs or combinations of IRPAs that could meet the capacity requirements of the system need.

Binary Screening includes:

- **“Emergent Safety Issues:** If an identified system constraint/need is determined to require a facility project for Enbridge Gas to offer safe and reliable service or to meet an applicable law, an IRP evaluation is not required. An example of such a system constraint/need, and an emergent safety issue, would be if an existing pipeline sustained unanticipated damage and

needed to be replaced as quickly as possible to ensure the safety of local communities and Enbridge Gas's broader transmission and distribution systems. Longer-term safety related system constraints/needs may be appropriate for an IRP Plan and should be considered on a case-by-case basis.

- **Timing:** If an identified system constraint/need must be met in under three years, an IRP Plan could not likely be implemented and its ability to resolve the identified system constraint could not be verified in time. Therefore, an IRP evaluation is not required. Exceptions to this criterion could include consideration of supply-side IRPAs and bridging or market-based alternatives where such IRPAs can address a more imminent need.
- **Customer-Specific Builds:** If an identified system need has been underpinned by a specific customer's (or group of customers') clear request for a facility project and either the choice to pay a Contribution in Aid of Construction or to contract for long-term firm services delivered by such facilities, then an IRP evaluation is not required.
- **Community Expansion and Economic Development:** If a facility project has been driven by government legislation or policy with related funding explicitly aimed at delivering natural gas into communities, then an IRP evaluation is not required.
- **Pipeline Replacement and Relocation Projects:** If a facility project is being advanced for replacement or relocation of a pipeline and the cost is less than the minimum project cost that would necessitate a Leave to Construct approval [\$2 million], then an IRP evaluation is not required.”⁶

IRPA Technical Feasibility Assessment

For all system needs that pass Binary Screening, Enbridge Gas will assess which IRPAs could technically be used to defer, avoid or reduce the need/constraint relative to facility infrastructure. In other words, Enbridge Gas will ensure that the IRPA can serve the identified need prior to evaluating the IRPA on an economic basis.

Economic Evaluation

Enbridge Gas will test and compare the technical feasibility of both the baseline facility and any IRPAs on an economic basis using the OEB-approved DCF+ cost test. In the Decision, the OEB determined that Enbridge Gas has “some discretion in selecting an alternative to meet a system need that does not have the highest score on phase 1 of the DCF+ test, as there may be considerations or factors that are important in phase 2 and 3 or are difficult to quantify.”⁷ The IRPA, or combination of IRPAs, that can technically and economically meet the system need and satisfy the Framework's Guiding Principles, will be incorporated into the AMP for inclusion into its broader planning activities, stakeholder touchpoints and for implementation at the appropriate time.

⁶ EB-2020-0091, Decision and Order, p.47-49

⁷ IBID, p.56

Project Development

Following the identification of IRPAs and the inclusion in the AMP, Enbridge Gas will begin work to develop and subsequently file an IRP Plan application and supporting evidence with the OEB for approval (where appropriate). Enbridge Gas will ensure that all details related to IRPAs and the underlying system needs that they are intended to address will be fully refined in this step and will continue to monitor the need as part of its planning activities until such time that the project is implemented.

IRPA Project Implementation

Enbridge Gas' IRP Plan applications will:

- detail anticipated savings or peak period impacts (on an hourly basis for distribution system assets and on a daily basis for transmission and storage system assets) together with the costs and ownership/operationalization arrangements proposed for IRPA investments;
- seek approval to spend and subsequently recover costs associated with investing in an IRPA(s);
- include additional applicable details for IRPAs such as design, administration, implementation, monitoring and reporting.

As is the case with traditional applications to the OEB seeking an Order of the Board for Leave to Construct facilities LTC applications, Enbridge Gas intends to consult with impacted landowners (where applicable), municipal governments, First Nations, Indigenous groups, and other affected stakeholders prior to filing its IRP Plan application with the OEB.

Monitoring and Reporting

Following implementation of approved IRPAs, the Company will carefully monitor their effectiveness in meeting the identified system need to ensure system constraints are being sufficiently resolved. Enbridge Gas will provide an annual report of IRPA effectiveness to the OEB as part of either its annual Rates application or Non-Commodity Deferral Account Clearance and Earnings Sharing Mechanism application, or as otherwise directed by the OEB. If any IRPA is not meeting the identified system need for which it was implemented, Enbridge Gas will propose corrective action in its report which may include, but not be limited to, proposals to implement additional IRPAs or new facilities.

3. IRP Pilot Projects

The OEB Directed Enbridge Gas to “select and deploy”⁸ two IRP pilot projects by the end of 2022.

⁸ EB-2020-0091, Decision and Order, p.94

The concept of developing and implementing two IRP pilots received universal support during the IRP proceeding.⁹ Parties recognized that these IRP pilots would be an effective approach to better understand and evaluate how IRP can be implemented to avoid, delay or reduce facility projects required to meet the identified need.

The Technical Working Group was created to, among other matters, provide input and insight into the selection and development of the IRP pilots.

At the time of writing this Report the specific pilot projects and associated IRPAs have not been determined.

Enbridge Gas plans to file the two IRP pilot applications by December 31, 2022 for OEB review and implementation based on the following schedule:

| | |
|---------------------------|---|
| June – August 2022 | Review potential IRP Pilot projects |
| September | Select two pilot projects |
| September - December 2022 | Develop IRP pilot evidence and applications |
| January – April 2023 | OEB Procedural process |
| May 2023 | IRP pilot project implementation |

4. IRP Stakeholder and Indigenous Engagement Update

As part of the Decision in the IRP Framework proceeding “the OEB has determined that the components of Enbridge Gas’s proposed Stakeholder Engagement Process will provide valuable input into Enbridge Gas’s IRP activities and shall be incorporated in the IRP Framework. The OEB also directs the establishment of a website by Enbridge Gas to facilitate the broad sharing of information on IRP stakeholdering efforts.”¹⁰

IRP Website

In December 2021, an Enbridge Gas IRP website went live.¹¹ This is the initial phase of the website and allows for individuals to identify which regions are of interest and to register for any stakeholder engagement that will occur within the region(s) of interest. Individuals are welcome to register for as many regional engagement activities as they feel appropriate. By registering their emails,

⁹ EB-2020-0091, Decision and Order, p.90

¹⁰ IBID, p. 66

¹¹ <https://www.enbridgegas.com/sustainability/regional-planning-engagement>

individuals give permission to receive emails from Enbridge Gas in the future thus meeting the requirements of Canada's Anti-Spam Legislation (CASL).

The next phase of the website design is underway. This next phase will be available when a pilot project or IRP Plan is developed, and it will include additional regional functionality. The next phase will also allow interested individuals to sign up for webinars, in-person engagements, and to receive information about any presentations and/or responses to stakeholder feedback that is posted. It is anticipated that the second phase of the website design will be available prior to the launch of the first pilot project or IRP Plan.

Enbridge Gas has also implemented an internal working group that includes representation from Enbridge Gas' Municipal, Stakeholder and Community Engagement Group, Community and Indigenous Engagement and the IRP group to ensure that the internal resourcing and IT infrastructure developed to conduct, gather, and respond to the ongoing stakeholder engagement efforts in support of IRP will be sufficient to inform future planning efforts. This internal working group brings extensive stakeholder engagement experience and insight to the future IRP Stakeholder engagement plans. Enbridge Gas' various stakeholder engagement groups support efficient project execution with engagement activities in the field with project-area residents, local governments, and local organizations, in support of project objectives and business goals. They also regularly engage with key partners, including local municipal officials, business leaders, key landowners, emergency responders, and non-government organizations. Enbridge Gas anticipates engagement with Indigenous groups to commence in 2022 as IRP Plans are developed.

5. IRP Plan Update

Enbridge Gas has not developed or filed any IRP Plans with the OEB that can be reported at this time. Please see Appendix B for a list of projects that Enbridge Gas has completed the binary screening process following the OEB's IRP Decision.

6. Asset Management Plan (AMP) Update

The IRP Decision indicated that "for this first-generation IRP Framework, the OEB finds the process proposed by Enbridge Gas to identify system constraints or needs is acceptable. Recording potential system needs/constraints up to ten years in the future in the AMP will allow time for a detailed examination of IRPAs. The OEB agrees with Enbridge Gas's proposal that the first version of the AMP reflecting this updated process be filed in Fall 2022."¹²

¹² EB-2020-0091, Decision and Order, p.42

Enbridge Gas will file the 2023-2032 AMP in Fall 2022 with the 2024 Rate Rebasing application. The AMP will include the binary screening results for all facility projects, greater than \$2 million, as noted in the IRP Assessment process description above. In addition, the AMP will include IRP assessment information for the projects, including IRPAs, where possible.

7. Integrated Resource Planning Alternatives Update

Discussion during the IRP regulatory proceeding included the request by some parties to have available a listing or menu of IRPAs being considered by Enbridge Gas. The OEB concluded that a “document on best available information for demand-side alternatives would promote more timely development of IRP Plans and directs Enbridge Gas to include a listing in its annual IRP Report.”¹³

Appendix C lists the preliminary IRPAs and includes information on these specific IRPAs as suggested by OEB Staff including “types of IRPAs, estimates of cost, peak demand savings, status in Ontario, potential role and relevance to Enbridge Gas’s system, and learnings from pilot projects and other jurisdictions.”¹⁴ Enbridge Gas recognizes that this IRPA information is preliminary and will become more refined over time as the Company becomes more familiar with the actual impacts of these IRPAs on system peak demands and with the inclusion of more granular meter reading through an Automated Metering Infrastructure (AMI) application. Enbridge Gas also anticipates that the IRP pilot projects will provide further information allowing for the refinement and updating of the impacts of some of the IRPAs listed.

8. Technical Working Group Summary

The OEB’s July 22, 2021, Decision further instructed the OEB to establish an IRP Technical Working Group (TWG) led by OEB staff, to provide input on IRP issues that will be of value to both Enbridge Gas in implementing IRP, and to the OEB in its oversight of the IRP Framework.

The inaugural meeting for the IRP TWG was held on Tuesday January 18, 2022. Any updates or summaries of IRP TWG meetings held in 2022 will be included in and reported on in the 2022 IRP Annual Report. All documents and presentations with respect to the IRP Technical working group can be found on the OEB web site under proceeding EB-2021-0246.¹⁵

The Report of the Technical Working Group is included as Appendix D.

¹³ EB-2020-0091, Decision and Order, p.36

¹⁴ IBID, p.34

¹⁵ <https://www.oeb.ca/consultations-and-projects/policy-initiatives-and-consultations/natural-gas-integrated-resource>

9. Interruptible Rates Update

The use of interruptible rates as an IRPA was reviewed as part of the IRP Framework proceeding. The discussion centered around a few key issues: “Customers on interruptible rates pay a lower rate in exchange for the ability of Enbridge Gas to curtail delivery if capacity is not available on the system. Interruptible volumes are not included in Enbridge Gas’s design day assumptions. Therefore, increased use of interruptible rates could potentially reduce the amount of firm peak demand Enbridge Gas is obligated to serve, helping address a system need. For this reason, Enbridge Gas indicated that it does consider interruptible rates to be a type of IRPA. Enbridge Gas already offers interruptible rates to its Contract Rate customers (larger commercial, institutional and industrial customers). However, Enbridge Gas noted that customers have been moving away from interruptible rates as they value certainty of supply over cost reduction.”¹⁶

In response Enbridge Gas indicated that it would “investigate the drivers for recent declines in the use of interruptible services and could potentially file revised interruptible and firm seasonal services/rates to make them more attractive to customers as part of its 2024 rebasing application.”¹⁷

The OEB determined that “the impact of interruptible rates to meet a system need/constraint should be considered in an IRP Plan in combination with demand-side or supply-side alternatives.”¹⁸

Enbridge Gas will file an interruptible rates study as part of its Rate Rebasing application in fall of 2022.

10. DCF+ Review

As part of the IRP Framework Decision the OEB found that “the OEB accepts the categories of benefits and costs proposed by Enbridge Gas for the three phases of the DCF+ test (shown in Table 2) for the use of this test in the IRP Framework. The OEB recognizes that the DCF+ test could be improved to better identify and define the costs and benefits of Facility Alternatives and IRPAs and clarify how these costs and benefits should be considered within the DCF+ test. This could include expanding the inputs to recognize increasing carbon costs, the risk that a constraint remains unresolved, and impact on gas supply costs. The OEB directs Enbridge Gas to study improvements to the DCF+ test for IRP.”¹⁹

The OEB further recognized that “this test could be improved to better list and define the costs and benefits of facility projects and IRP Alternatives and clarify how these costs and benefits should be considered within the test. Enbridge Gas is expected to study improvements to the Discounted Cash Flow-plus test for IRP, in consultation with the IRP Technical Working Group that will be established

¹⁶ EB-2020-0091, Decision and Order, p,30

¹⁷ IBID, p. 30-31

¹⁸ IBID, p.35

¹⁹ IBID, p.56-57

as part of the IRP Framework and using IRP pilot projects as a testing ground. Enbridge Gas shall file an enhanced Discounted Cash Flow-plus test for approval as part of the first non-pilot IRP Plan.”²⁰

Enbridge Gas has begun the process of reviewing the DCF+ test approved by the OEB. Enbridge Gas will consult with the Technical Working Group on any proposed enhancements to the DCF+ test prior to filing this cost benefit analysis with the first IRP non-pilot application.

²⁰ EB-2020-0091, Decision and Order, p. 5-6

Appendix A: OEB IRP Direction

The table below provides Enbridge Gas' progress with respect to meeting the Directions as ordered by the OEB in the IRP Decision.

| Direction Item | Reference in the Decision | Direction | Status |
|------------------------------------|---------------------------|---|---|
| Interruptible rates | Section 7 p.35 | The OEB directs Enbridge Gas to study its interruptible rates to determine how they might be modified to increase customer adoption of this alternative service. | In progress – will be included with Enbridge Gas Rebasing Application (2023-2032) |
| Documentation of demand side IRPAs | Section 7 p.36 | The OEB concludes that a document on best available information for demand-side alternatives would promote more timely development of IRP Plans and directs Enbridge Gas to include a listing in its annual IRP Report. The OEB agrees with Enbridge Gas that supply-side alternatives require case-by-case examination and therefore are not required to be included in the listing. | Completed – preliminary list |
| Asset Management Plan | Section 8 p.42 | The OEB directs that the AMP include information about Enbridge Gas' system needs. This includes providing the status of consideration of IRP Plans in regard to meeting system needs, the result of the binary screening, and details on the evaluation. | In progress – will be filed with the Enbridge Gas Rebasing Application |
| DCF+ test enhancement | Section 8 p.56-57 | The OEB directs Enbridge Gas to study improvements to the DCF+ test for IRP and, as applicable, file an enhanced DCF+ test for approval as part of the first non-pilot IRP Plan. | In progress |
| IRP Website | Section 10 p.66 | The OEB also directs the establishment of a website by Enbridge Gas to facilitate the broad sharing of information on IRP stakeholder engagement efforts. | Phase 1 – Completed Phase 2 – In progress |

| | | | |
|-------------------------|-----------------|---|-----------|
| Technical Working Group | Section 10 p.67 | Establishment of a TWG with the OEB directing that membership should include Enbridge Gas, OEB staff, independent experts, and experienced non-utility stakeholders | Completed |
| IRP Deferral accounts | Section 15 p.87 | The OEB directs Enbridge Gas to prepare a Draft Accounting Order for the two IRP Costs deferral accounts, consistent with the direction in this decision. | Completed |

Appendix B: Binary Screening Results

| Appendix B: Binary Screening Results for Projects Filed | | | | | | | |
|---|---|-------------------------|--------|----------------------------|-----------------------|--|---------------------|
| OEB Proceeding Docket | Project Name | Customer Specific Build | Timing | Pipeline Replacement >\$2M | Emergent Safety Issue | Community Expansion & Economic Development | Binary Pass or Fail |
| EB-2022-0111 | Bobcaygeon Community Expansion Project | | | | | Fail | Fail |
| EB-2022-0086 | Dawn to Corunna Replacement Project | | Fail | | | | Fail |
| EB-2022-0088 | Haldimand Shores Community Expansion Project | | | | | Fail | Fail |
| EB-2022-0003 | NPS 20 Waterfront Relocation Project | | Fail | | | | Fail |
| EB-2020-0293 | St. Laurent Ottawa North Replacement Project | | Fail | | | | Fail |
| EB-2021-0205 | Greenstone Pipeline Project | Fail | | | | | Fail |
| EB-2021-0248 | Coveny and Kimball-Colinville Well Drilling Project | | Fail | | | | Fail |

Appendix C: Integrated Resource Planning Alternatives

Integrated Resource Planning Demand-Side Alternatives – Best Available Information

As per the IRP Decision, the IRP Annual Report is to include “a summary of best available information on demand-side IRPAs, including types of IRPAs, estimates of cost, peak demand savings, status in Ontario, potential role and relevance to Enbridge Gas’s system, and learnings from pilot projects and other jurisdictions”.²¹

Demand-side IRPAs

| IRPA Name | Enhanced Targeted Energy Efficiency (ETEE) |
|--|--|
| ETEE IRPA Overview | |
| <p>Enhanced targeted energy efficiency (ETEE) programs focus on achieving necessary reductions in a specific geographical area to reduce peak period system demands. The mix of offerings and measures utilized in an ETEE program is dependent upon the scope of the facility investment project under consideration, customer characteristics in the specific project service area, past demand side management DSM participation etc. ETEE programs could include refining existing broad-based DSM offerings through enhanced incentives and targeted marketing or introducing new geo-targeted programs not offered through broad-based DSM.</p> <p>Broad-based DSM programs have been delivered throughout the Enbridge Gas service areas since 1993. The 2023-2027 DSM Plan (EB-2021-0002) is currently under consideration of the OEB to guide broad-based DSM programming over that time frame. As defined by the Ontario Energy Board in their DSM Letter, the objective of broad-based DSM is “assisting customers in making their homes and businesses more efficient in order to help better manage their energy bills”.²²</p> <p>Separately, Enbridge Gas proposes to undertake IRP pilots to review and understand the potential impacts of energy efficiency programs on peak period system demands within a geo-targeted area, and whether the impacts are significant enough to be considered an infrastructure alternative.</p> <p>Potential ETEE measures include those space heating equipment, water heating equipment and building envelope upgrades that could impact peak.</p> | |

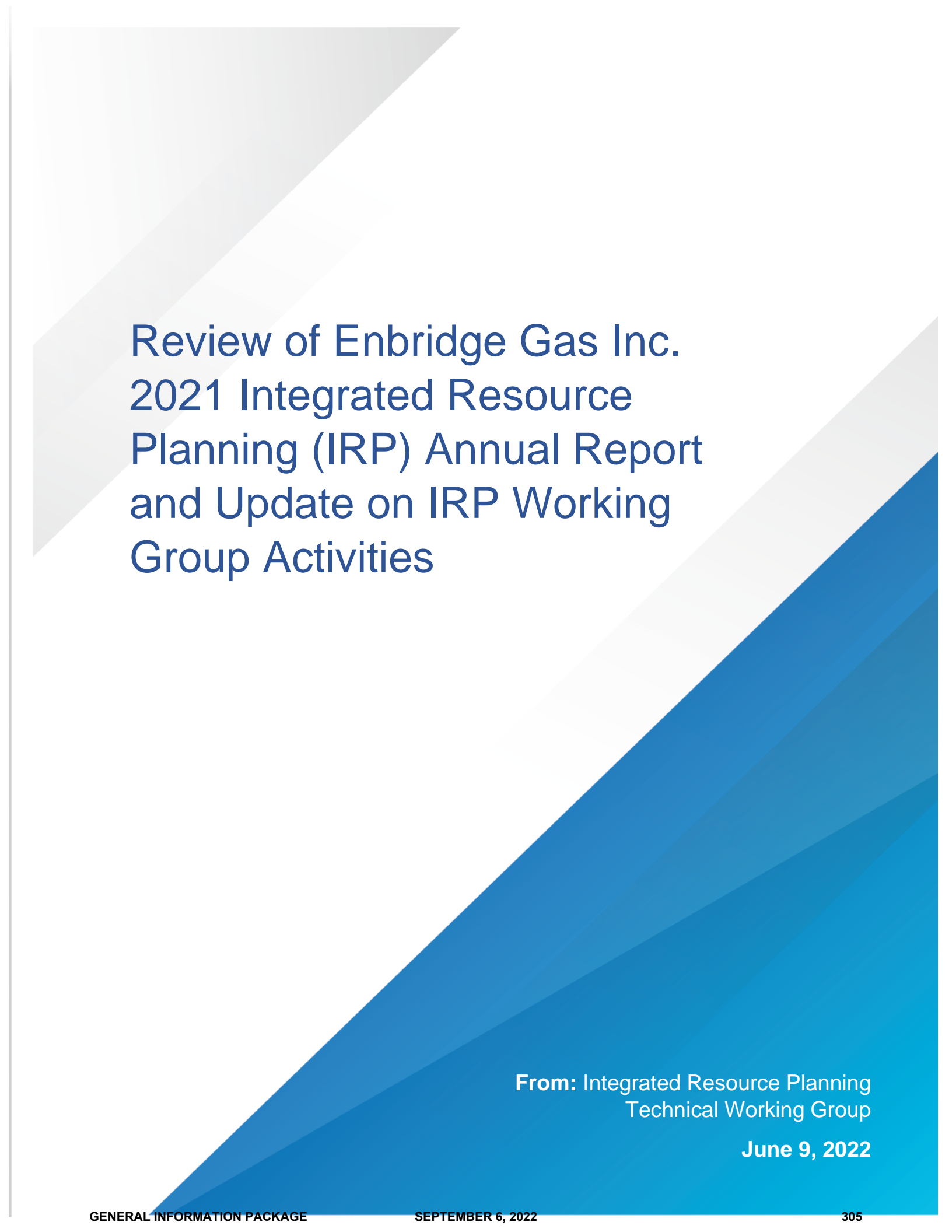
²¹ The IRP Alternatives do not include electricity-based alternatives per the OEB’s EB-2020-0091 Decision where it stated “The OEB has concluded that as part of this first-generation IRP Framework, it is not appropriate to provide funding to Enbridge Gas for electricity IRP Alternatives.” p.4

²² EB-2019-0003, OEB Letter Post-2020 Natural Gas Demand Side Management Framework (December 1, 2020), p. 2.

| IRPA Peak Impacts |
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| <p>Forecast peak impacts will be estimated on a case-by-case basis depending on the ETEE program.</p> <p>Enbridge Gas Inc. (EGI) worked with Posterity Group to build an end-use model of its service territory with the 2019 Achievable Potential Study (APS) being the starting point for the model creation. First, a mirror model of the APS was created and then several adjustments were made to better reflect EGI's knowledge and experience of the Ontario DSM market, EGI's current TRM assumptions and known changes to applicable standards. Then Posterity Group worked with EGI to develop peak factors which were added to the model so that enhanced targeted energy efficiency peak hour impacts estimates could be developed for each region, sector, segment and end use. Posterity Group and EGI plan to continue to evolve this model by refining assumptions and assessment methodologies to refine and improve forecasting of peak hourly flow reduction potential.</p> |
| IRPA Cost Details |
| <p>Costs will be determined on a case-by-case basis depending on the ETEE program.</p> <p>The Posterity model described above also included cost assumptions for ETEE programs. Posterity Group and EGI plan to continue to evolve this model by refining assumptions and assessment methodologies so it can be used to assess project specific costs for an ETEE program.</p> |
| EGI Deployment Strategy |
| <p>Which energy efficiency measures are chosen and what ETEE deployment strategy is undertaken will be dependent upon the scope of the facility investment project under consideration, customer characteristics in the specific project service area, past DSM participation etc.</p> <p>An IRP ETEE pilot project would provide insights that could guide the deployment strategy of a future IRP ETEE program, including to what degree Automated Metering Infrastructure (AMI) may be required to inform the objectives of the pilot.</p> |
| Learnings from Pilot Projects/Other Jurisdictions |
| <p>Enbridge Gas has engaged Guidehouse to undertake a jurisdictional review of ETEE (Enhanced Targeted Energy Efficiency) and DR (demand response) gas pilots implemented for the objective to defer or avoid infrastructure. Findings from the review are anticipated to inform potential pilots for natural gas IRP implementation.</p> <p>Enbridge Gas filed a Geo-Target Demand Side Management Case Study in EB-2020-0091 at Exhibit C, Appendix A. The objectives of the case study were:</p> |

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| <p>1.Assessment of the impacts of geo-targeted DSM programs on reducing peak hour demand.</p> <p>2.Assessment of the costs of geo-targeted DSM program implementation.</p> <p>The results from this case study only illustrate the impacts geo-targeted DSM had on the town of Ingleside and although informative and directional, the results cannot be generally applied due to the specific nature of customer composition.</p> | |
| IRPA Name | Demand Response (DR) |
| IRPA Overview | |
| <p>Natural Gas Demand Response aims to reduce demand by natural gas customers during peak periods. For residential and commercial customers, this is usually in the form of heating demand reduction via thermostat control or water heater temperature settings. For contract customers, this can be done through leveraging Interruptible Rates.</p> | |
| IRPA Peak Impacts | |
| <p>Peak impacts will be determined on a case-by-case basis depending on the DR program.</p> | |
| IRPA Cost Details | |
| <p>DR IRPA costs will be determined on a case-by-case basis depending on the DR program.</p> | |
| EGI Deployment Strategy | |
| <p>The deployment strategy will be determined on a case-by-case basis depending on the DR program. An IRP Demand Response pilot project would provide insights that could guide the deployment strategy of a future Demand Response program, including to what degree Automated Metering Infrastructure (AMI) may be required to inform the objectives of the pilot.</p> | |
| Learnings from Pilot Projects/Other Jurisdictions | |
| <p>Enbridge Gas has engaged Guidehouse to undertake a jurisdictional review of ETEE (Enhanced Targeted Energy Efficiency) and DR (demand response) gas pilots implemented for the objective to defer or avoid infrastructure. Findings from the review are anticipated to inform potential pilots for natural gas IRP implementation.</p> | |

Appendix D: Technical Working Group Report



Review of Enbridge Gas Inc. 2021 Integrated Resource Planning (IRP) Annual Report and Update on IRP Working Group Activities

From: Integrated Resource Planning
Technical Working Group

June 9, 2022

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1. Introduction

An Integrated Resource Planning (IRP) Framework for Enbridge Gas was established by the OEB through its [July 22, 2021 Decision and Order](#) (the IRP Decision). The IRP Decision directed the OEB to establish an IRP Technical Working Group (Working Group) and required a report from the Working Group to the OEB (Working Group report) to be filed in the same proceeding in which Enbridge Gas's annual IRP report is filed. The IRP Decision indicated that the Working Group report should include any comments on Enbridge Gas's annual IRP report, including material concerns that remain unresolved within the Working Group, and may also describe other activities undertaken by the Working Group in the previous year.

This report has been prepared by OEB staff with input from all Working Group members, and approved by all Working Group members, as an accurate summary of the Working Group's activities.¹ Where views expressed in the report do not reflect the views of all members, this is clearly indicated.

2. Establishment and Initiation of Working Group

The IRP Decision instructed the OEB to establish a Working Group led by OEB staff, to provide input on IRP issues that will be of value to both Enbridge Gas in implementing IRP, and to the OEB in its oversight of the IRP Framework.

The IRP Decision further required the OEB to establish a terms of reference and select the membership for the Working Group. On October 19, 2021, the OEB issued a [letter](#) seeking nominations from individuals interested in participating on the Technical Working Group as non-utility members. The OEB selected seven non-utility members from the twenty nominations received, and announced the establishment and initial membership of the Working Group in a [letter](#) issued December 6, 2021. In addition to non-utility members, the Working Group includes

¹ The IRP Technical Working Group includes observers from the Independent Electricity System Operator and EPCOR Natural Gas LP. As noted in the Working Group's Terms of Reference, any materials authored by the IRP Working Group (including this report) should not be considered to represent the views of Working Group observers, or their organizations.

representatives from the OEB and Enbridge Gas, and observers from the Independent Electricity System Operator and EPCOR Natural Gas LP.

The current membership of the Working Group is shown below.

Table 1: IRP Working Group Membership

| Name | Role |
|--|--|
| Michael Parkes | OEB staff representative (Working Group chair) |
| Stephanie Cheng | OEB staff representative |
| Chris Ripley | Enbridge Gas representative |
| Whitney Wong (replacing Amrit Kuner) | Enbridge Gas representative |
| Amber Crawford, Association of Municipalities of Ontario | Non-utility member |
| John Dikeos, ICF Consulting Canada Inc. | Non-utility member |
| Tamara Kuiken, DNV Inc. | Non-utility member |
| Cameron Leitch, EnWave Energy Corporation | Non-utility member |
| Chris Neme, Energy Futures Group | Non-utility member |
| Dwayne Quinn, DR Quinn & Associates Ltd. | Non-utility member |
| Jay Shepherd, Shepherd Rubenstein Professional Corporation | Non-utility member |
| Kenneth Poon, EPCOR Natural Gas LP | Observer |
| Steven Norrie, Independent Electricity System Operator | Observer |

The inaugural meeting of the Working Group was held on January 18, 2022. Meetings have subsequently been held on a monthly basis, with five meetings completed as of the date of this report.

Meeting notes and meeting materials for IRP Working Group meetings are published on the OEB's website following meetings to allow stakeholders to follow the Working Group's

progress.² These materials can be found at: <https://www.oeb.ca/consultations-and-projects/policy-initiatives-and-consultations/natural-gas-integrated-resource>.

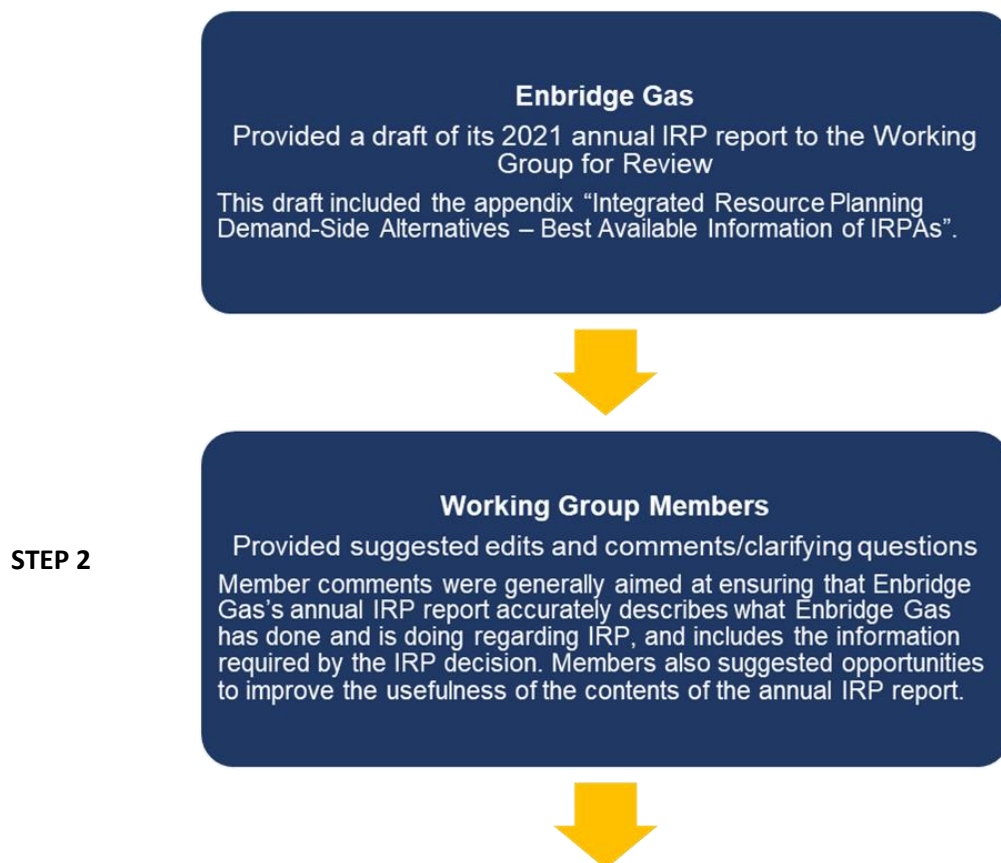
As required by the IRP Decision, a draft terms of reference for the Working Group was developed by OEB staff. Following review and input from Working Group members at the initial meeting, a [final terms of reference](#) was issued by the OEB on February 17, 2022.

² Meeting materials are typically posted online shortly after the meeting. Meeting notes are not typically posted until after the following meeting, to allow for members to review draft notes and identify any omissions or inaccuracies.

3. Review of Enbridge Gas's Annual IRP Report and Comments on Implementation of the IRP Framework

The IRP Decision notes that the Working Group is expected to review a draft of Enbridge Gas's annual IRP report, with the review coordinated by OEB staff, and that Enbridge Gas should provide a draft of the annual IRP report to the Working Group far enough in advance of its planned filing to the OEB to allow the Working Group time to review and comment. The IRP Decision also indicates that the Working Group report should include any comments on Enbridge Gas's annual IRP report, including material concerns that remain unresolved within the Working Group.

The Working Group's review took the following steps:



STEP 3

Enbridge Gas

Revised and finalized its annual IRP report

Enbridge Gas provided a revised draft to the Working Group, documenting how it had taken into account comments from Working Group members, and (after a second stage of review), finalized its annual IRP report. Final determinations as to the contents of Enbridge Gas's annual IRP report were made by Enbridge Gas, not the Working Group.



STEP 4

Working Group Members

Provided final comments on implementation of IRP Framework
Member comments are discussed further below in section 3.1

3.1. Working Group Comments on Implementation of the IRP Framework

All Working Group members (with the exception of observers) were asked the following question:

Question: Having reviewed Enbridge Gas's final annual IRP report's description of Enbridge's IRP activities in the previous year and having also participated on the IRP Working Group, do you have any comments or concerns with the implementation of the IRP Framework to date?

To varying degrees, all non-Enbridge Gas Working Group members expressed some concerns. These concerns relate primarily to: (1) the pace of Enbridge Gas's efforts to implement the IRP Framework since the IRP Decision in July 2021; and (2) the ability of the Working Group to make progress on its identified priorities (discussed in chapter 4 of this report) and meaningfully contribute to Enbridge Gas's IRP implementation, due in part to Enbridge Gas's determinations regarding the topics and level of detail that it has brought forward to the Working Group to date. More specifics are provided in the comments from individual members in Table 2, and the comments of Enbridge Gas Working Group members follow in Table 3.

Several members (including Enbridge Gas representatives) noted that more frequent meetings or focused subgroups may help advance progress on IRP implementation. The Working Group has agreed to add a second monthly meeting, with a subgroup focusing on the discounted cash flow-plus (DCF+) test, beginning in July 2022.

Table 2: Individual Comments of IRP Working Group Members

| Working Group Member | Comments (optional) |
|-------------------------------------|---|
| Amber Crawford (non-utility member) | <p>Since the Decision and Order was published on July 22, 2021, Enbridge Gas and OEB jointly created the nomination for membership of the IRP Technical Working Group. There have been five meetings held in 2022, and the following observations can be made thus far:</p> <p>Little Progress Made on IRP Pilot Projects: According to the Decision and Order, “the OEB expects that the [two] IRP pilot projects will be selected and deployed by the end of 2022.” (p.24). Meetings to date have discussed pilots at a very high-level, and have not yet seen substantive materials that would help the IRP Technical Working Group provide input on. While this may be in part due to Enbridge’s Asset Management Plan being developed this year, the criteria and potential choices should be further along to meet Enbridge’s deadline.</p> <p>Lack of Transparency and Reliance on 2024 Rate Rebasing: When asked to see data pertaining to pilots, the DCF+ test, binary screening results, best practices in other jurisdictions, or Enbridge’s Asset Management Plan, it has often been denied or mentioned it will be part of the 2024 Rate Rebasing in the Fall. Enbridges view that these topics are better addressed through testing of the evidence within the rebasing application. If this group is to provide input and expertise, it is incumbent on Enbridge to provide those details as otherwise, the consultation will not be meaningful.</p> <p>Minimal Information in Annual IRP Report: As a function of the slow progress in 2021, the Annual IRP Report fails to include details on key sections that would have been helpful and set up the 2022 year better (e.g. Sections 2, 6, 9). The Working Group’s review has been quite limited and question whether input to date has had a meaningful impact on Enbridge’s annual IRP report.</p> |

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| John Dikeos (non-utility member) | <p>I agree with many of the comments from other Working Group members that Enbridge's progress on identifying and screening potential IRPA pilots and updating its DCF+ cost-effectiveness approach has been relatively slow. There was very limited progress on these items in advance of the first Working Group meeting in January 2022 and progress since has been slow as well. To date, this has limited the Working Group's ability to provide more meaningful contributions to the future of IRPA planning in Ontario.</p> <p>I noted the following additional items based on my review of Enbridge's final 2021 IRP Annual Report:</p> <p>Evolution of binary screening criteria: Enbridge has included high-level details regarding its binary screening criteria for IRPAs. Although the criteria appear to be reasonable at this stage given the current knowledge and experience with IRPAs, Enbridge should be encouraged to revisit and evolve the criteria on an ongoing basis. For example, the Timing criteria should likely be condensed as Enbridge gains additional knowledge and experience with demand-side IRPAs.</p> <p>Interruptible rates: Enbridge notes that it is completing a study on interruptible rates, which will be filed as part of its rebasing application in fall 2022. As part of this study, Enbridge should investigate alternative and/or enhanced approaches to interruptible rates, such as the pilot projects that are being run by some utilities in New York (e.g., ConEd).</p> |
| Tamara Kuiken (non-utility member) | <p>I agree with many of the comments made by other reviewers, including those related to the lack of progress made on IRP pilots, the lack of progress made on improving the DCF+ test, communication about IRP elements delayed until the rebasing application, all initial IRPAs failing the binary test, and the perfunctory IRP Report.</p> <p>In my opinion, Enbridge shows little urgency toward advancing the IRP process, despite their commitment to deploy pilots before the end of 2022. The initial stated reason was a desire to engage with the TWG prior to making commitments; however, the lack of progress since the TWG was initiated suggests that other barriers exist.</p> |
| Cameron Leitch (non-utility member) | <p>From the definitions within the IRP Framework, this process is meant to address system needs by considering alternatives to conventional facility projects. At the core of this process is clarity on the determination of system needs, and without</p> |

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| | <p>insight into this determination (outside of the future AMP submission), it is difficult for the Working Group to provide meaningful feedback. Comments by other members of the Working Group are insightful, and my repetition of them will not provide added value to the reader.</p> |
| Chris Neme (non-utility member) | <p>While there have been some good initial discussions, and the tone of those discussions has been appropriately congenial and open-minded, I have several concerns about the effectiveness of the working group (WG) thus far. The most important are as follows:</p> <ol style="list-style-type: none"> 1. Input on key IRP issues related to the Company's next Asset Management Plan (AMP) and rate-basing application has essentially been taken off the table. Among those key issues are (A) the Company's approach to load forecasting in light of Canada's energy transition commitment, fast-increasing carbon taxes and the potential for the Company to partially control demand growth through limitations on new connections; (B) how binary screening criteria are to be assessed/applied, including the how the timing of needs is to be determined (given the binary screening criterion that says alternatives to traditional infrastructure investments should not be considered if the system need is within three years); and (C) how risks of stranded assets are to be addressed (e.g. if load grows in the near term but then declines as electrification takes hold). Had the Company been willing to engage on these issues prior to its filing in the Fall, some progress eliminating issues – or at least surfacing key issues and ensuring that the filing provided data/info likely to be important – could have been made, saving the Board time and making the filing a better product. These kind of collaborative working groups – speaking here to a groups addressing a range of topics, not just IRP – routinely provide such construction feedback in other jurisdictions. 2. Little progress on pilots – and therefore likely failure to begin deploy IRPAs as part of pilots before the end of 2022. This is particularly concerning given that it is essentially one of just two issues that the WG has effectively prioritized for 2022. While I appreciate that the Company may not have wanted to get too far in planning for the pilots until the |

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| | <p>WG had formed, it still could have done a lot of groundwork identifying potential projects/locations for pilots (e.g. maybe developing an initial short list of 10-12) so that we could have jumped right into selection once the WG had talked through priorities.</p> <p>3. No progress on the revisions to the DCF+ cost-effectiveness test. This also has relevance to the Company's upcoming AMP and rate-basing application, so it would have been ideal to have worked through some issues in greater detail in the first half of 2022.</p> <p>4. Enbridge's first IRP Report is largely perfunctory, with little useful information. This seems a function of two related things: (A) no IRPAs have been identified yet for deployment; and (B) the Company has decided that all planning related to IRPA consideration will be addressed in its AMP and rate-basing application. As stated above, the Company's decision to not bring its draft approach to applying the IRP framework to its AMP is an unfortunate missed opportunity. Hopefully next year's IRP report will be more substantive.</p> <p>Note that greater progress on the items above may have been hindered by having just one meeting a month among a dozen or more people. That might suggest the need for some subgroups focused on particular topics (e.g. cost-effectiveness test) and perhaps with fewer people involved to meet more often. Those subgroups could then report back draft recommendations for the full WG to consider. This model is being used very effectively, for example, by the Illinois Stakeholder Advisory Group (SAG) for energy efficiency. They have full working group meetings quarterly (used to be monthly) but have numerous subcommittees (also with regular meetings) and working groups (more episodically meeting to address specific topics that have more time-sensitive needs). See www.ilsag.info.</p> |
| Dwayne Quinn (non-utility member) | <p>As the last non-utility member to comment, instead of "piling on" regarding the lack of opportunity for the IRP WG to understand the lack of progress by the utility or even the behind the scene processes, we will simply support contributions of each of the other non-utility members. I am concerned that the Enbridge comments seem to dismiss consensus comments by the group. I believe the reality lies in the fact that Enbridge has not advanced even one single</p> |

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| | <p>concrete example of a potential pilot, which could have been used to allow input from the WG on process matters. The cumulative years of experience and aggregated intellectual capital of the committee is being wasted as we await something substantive to review and to initiate collaboration.</p> |
| Jay Shepherd (non-utility member) | <p><i>Very Little Has Been Done To Date.</i> This Report demonstrates that little was done from July 22 to December 31, 2021 to advance IRP in Ontario. The Report discloses that the following steps were taken in that 5+ month period:</p> <ol style="list-style-type: none"> 1. A bare bones website was created (perhaps a day's work), in which the primary functionality is the ability of customers to indicate their interest in regional constraints and the related IRPAs. However, there are no regional constraints or IRPAs identified, and will not be until the end of 2022 at the earliest. Enbridge promises future enhancements to the website late in 2022 or early in 2023. 2. A committee of the stakeholder engagement folks at Enbridge has been created, but they will have nothing to do until late 2022, when constraints and potential IRPAs have been identified. <p>Nothing else appears to have been done. No preliminary work was done on the pilots, or the DCF+ test, or best practices in other jurisdictions, etc. Or, if there was, none of it was brought to the attention of the IRP Working Group.</p> <p><i>Asset Management Plan – Refusal to Disclose.</i> In parallel, Enbridge has moved forward with its 2024-2028 Asset Management Plan, but does not appear to have incorporated IRP into that process. Further, when asked to provide information to the IRP Working Group on the process of the AMP, and how it was influenced by IRP, Enbridge refused to do so. Members of the working group sought a draft of the AMP, which should be substantially finalized at this point, but that disclosure was refused.</p> <p><i>Load and Demand Forecast – Refusal to Disclose.</i> Related to this, Enbridge has, in 2021 and 2022, been preparing its ten year load forecast for the AMP to be filed in the rebasing application, but has declined to share any information on that forecast with the IRP working group. It does not appear that Enbridge has taken any action so far to</p> |

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| | <p>influence that forecast downward through, for example, longer term planning for, or forecasting of, IRPAs.</p> <p>Posterity Group Model – Refusal to Disclose. Another refusal from Enbridge was the request from the IRP working group to see the Posterity Group model that Enbridge plans to use to assess IRPAs. Enbridge will not provide that model unless compelled to do so by the OEB.</p> <p>Interruptible Rates Study – No Consultation with IRPWG. At the same time, Enbridge has proceeded (in 2022, not 2021) with an interruptible rates study as it relates to IRP, but has not brought any information on that study to the IRP working group, and apparently does not intend to do so.</p> <p>100% Fail Rate in Binary Screening. To date, Enbridge has used binary screening on seven projects, and all have failed, in most cases because of Enbridge’s determination that the need must be met in under three years. One of these was the St. Laurent Phase 3 and 4 project, which the OEB determined in the EB-2020-0293 LTC application would not proceed at this time. It is not known yet whether the others that failed the screening can stand up to a similar independent review. No information on that binary screening has been provided to the IRP working group.</p> <p>Pilot Projects – Non-Compliance with OEB Direction. Enbridge also discloses in the attached Report that they will not comply with the OEB direction to “select and deploy” two IRP pilot projects by the end of 2022. They have unilaterally determined, without input from the IRP working group, that they will complete the “select” stage by the end of the year, but will not have the pilot projects “deployed” until the winter of 2023, rather than the winter of 2022.</p> <p>Against this contextual background, Enbridge has been adding to rate base at an average rate of \$100 million of capital additions per month since the IRP Decision, and is continuing to do so.</p> <p>The inescapable conclusion from this Report, and from the actions of Enbridge to date, is that their strategy is a “slow walk” of IRP, consistent with their past resistance to the concept.</p> |
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| <p>Mike Parkes/Stephanie Cheng (OEB staff representatives)</p> | <p>In OEB staff's view, Enbridge Gas is taking the initial steps (as documented in Enbridge's annual IRP report) to implement the IRP Framework in accordance with the OEB's direction. This includes participating in good faith on the IRP Working Group. Implementation of the IRP Framework is still at a preliminary stage. At this time, OEB staff provides additional comments on three topics:</p> <ul style="list-style-type: none"> <p>Slow start on IRP Pilots (section 3 of Enbridge Gas annual IRP report): The IRP Framework indicated that Enbridge Gas should develop and implement two IRP pilot projects, with the expectation that the pilot projects would be selected and deployed by the end of 2022.</p> <p>Based on the description in the annual IRP report and the information that has been shared with the Working Group, the amount of preparatory work done by Enbridge Gas in the months following the IRP decision in July 2020 to lay the groundwork for these pilots (in advance of seeking input from the IRP Working Group) was very limited.</p> <p>While OEB staff recognizes that this was in part because Enbridge Gas did not want to overly constrain pilot design prior to receiving input from the Working Group, the result is that it is unlikely that pilots will be deployed (if "deployed" is interpreted to include having received an OEB approval) by the end of 2022, which was the expectation of the IRP Decision. The consequence is that there will be a related delay in transferring learnings from the pilots into Enbridge Gas's system planning decisions. It will be important for Enbridge Gas to make use of learnings from the pilots while they are still in-flight, to inform Enbridge Gas's consideration of IRP alternatives in system planning.</p> <p>Insufficient information base to compare IRP Alternatives Versus Facility Projects (sections 2,7, appendix B of Enbridge Gas annual IRP report): Under the IRP Framework, Enbridge will use a four-step IRP Assessment Process to determine the best approach to meeting system needs. Where such system needs pass an initial binary screening, Enbridge Gas is required to assess the technical and economic feasibility of IRP Alternatives in comparison with traditional facility solutions.</p> |
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| | <p>The level of detail in appendix B (<i>Integrated Resource Planning Demand-Side Alternatives – Best Available Information</i>) of Enbridge’s initial annual IRP report regarding IRP Alternatives, including their cost and peak demand reduction potential, is generally insufficient to assist Enbridge Gas in completing this step of IRP assessment, and will need to be improved in future annual IRP reports.</p> <p>Information on IRP Alternatives will be informed and improved by the results of Enbridge Gas pilots. However, Enbridge Gas will need to conduct IRP assessments prior to completion of the pilots (e.g. for potential system needs identified in Enbridge’s rebasing application). In OEB staff’s view, Enbridge will need to supplement the information obtained from IRP pilots with other sources of information on the expected cost and peak demand reduction potential of IRP Alternatives (including results from other jurisdictions), to assist it in completing IRP Assessments (and to assist the OEB in reviewing Enbridge Gas’s determinations). Otherwise, the risk is that no IRP Alternatives will advance past this stage of IRP Assessment for many years.</p> <ul style="list-style-type: none"> Limited information and Working Group review of IRP elements of rebasing application (sections 2, 6, 9 of Enbridge Gas annual IRP report): The OEB’s review of Enbridge Gas’s rebasing application (expected to be filed in November 2021) will have significant consequences for implementing the IRP Framework. Issues of particular importance noted briefly in the annual IRP report include: Enbridge Gas’s updated asset management plan and its approach (and conclusions) regarding screening system needs for IRP alternatives and reporting on the status of such consideration (section 6), Enbridge Gas’s approach to demand forecasting (section 2), and Enbridge Gas’s approach to studying the potential for interruptible rates (section 9). In OEB staff’s view, Enbridge Gas’s approach to demand forecasting in light of the energy transition to lower-carbon energy sources will likely have significant implications for IRP and system planning, both regarding identification of system needs and the role of IRP Alternatives as potential solutions. |
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| | <p>These issues are only mentioned briefly in the annual IRP report, and the Working Group has not to date been provided with substantive details of how these topics will be addressed in Enbridge Gas's rebasing application, and has not commented on them. At this point in time, if any review by the Working Group occurs, it will likely be quite limited. Reasons for this include: these topics were not identified as a priority for the Working Group in the IRP Framework; Enbridge Gas's view that these topics are better addressed through testing of the evidence within the rebasing application; and views of some Working Group members that input at this stage is unlikely to have a meaningful impact on Enbridge Gas's application. The consequence is that these issues will be addressed in the rebasing application without significant prior input from the Working Group.</p> |
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Table 3: Comments of Enbridge Gas IRP Working Group Members

| Working Group Member | Comments (optional) |
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| Chris Ripley/Whitney Wong (Enbridge Gas representatives) | <p>Enbridge Gas has structured its comments to follow the Working Group Participant comments above. For context, Enbridge notes that the Working Group's focus, per the Terms of Reference and the OEB's IRP Decision, are three main issues: the IRP Annual Report, the DCF+ cost/benefit test and the IRP Pilots. Enbridge Gas does not agree with the negative tone of many of the Working Group Participant comments. Enbridge Gas has been working diligently on IRP implementation and engaging responsibly with the Working Group, in a manner consistent with the OEB's directions and expectations from the IRP Framework. As described below, Enbridge Gas expects that the pace of Working Group progress and activities will increase in the coming months.</p> <p>Minimal Information in Annual IRP Report: As noted above, the 2021 IRP Annual Report is reporting on 2021 activities and information. While progress has been made on the three main Working Group tasks; Annual Report, DCF+ and pilots the work has been largely completed in 2022 and will appear in the 2022 IRP Annual Report. In addition, in Enbridge's view there is a mismatch between the IRP Annual Report, which relates to 2021, before the Working Group held its first</p> |

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| | <p>meeting, and the comments from the Working Group members on that Report, almost all of which relate to the experience of the Working Group in 2022. Over the next few months, the Working Group will discuss potential pilot projects and review Enbridge Gas' proposals for the DCF+ Test.</p> <p>Little Progress Made on IRP Pilot Projects: Enbridge does not agree with the Working Group comments suggesting Enbridge Gas made little effort on the IRP Pilots Projects. The OEB's IRP Decision stated "the OEB expects that the [two] IRP pilot projects will be selected and deployed by the end of 2022." (p.24). Enbridge acknowledges deployment by the end of 2022 is not possible, this is entirely due to the timing of Enbridge's demand forecast and planning processes being completed in Q2 of 2022. The 2023-2032 Asset Management Plan ("AMP"), generated in May 2022, identifies the needs on Enbridge's system. The pilot projects need to be, and will be, based on actual system needs that have been identified in Enbridge Gas' AMP. Enbridge Gas has included an updated IRP pilot schedule in its Annual Report. Enbridge Gas will bring 4-5 actual system needs for each of the two proposed IRP Pilots to the Working Group, including all relevant information to the need. Enbridge Gas will discuss the system needs brought forward with the Working Group, select two IRP Pilot projects and then prepare an application for the OEB's review and approval. In order to complete the IRP Pilot selection process quickly, Enbridge Gas proposed to increase the number of Working Group meetings from once per month to twice per month.</p> <p>DCF+ Test: Enbridge Gas engaged Guidehouse Consulting to conduct a review of the DCF+ test approved by the OEB in the IRP Decision. Enbridge Gas expects to receive the Guidehouse Final Report in June 2022 and will use the Guidehouse report in its review of the DCF+ test and in any proposed changes. Enbridge Gas will be communicating the Guidehouse Report and Enbridge Gas' proposed changes in the July IRP Working Group meeting. As discussed at the Working Group, a sub-group will be established to review the Guidehouse Report and Enbridge's associated proposed changes to the DCF+ Test. This review and discussion will happen prior to the cost test being applied to the IRP Pilot projects or an IRPA Plan.</p> |
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| | <p>Lack of Transparency and Reliance on 2024 Rate Rebasing: Enbridge Gas is filing its 2024 Rebasing Application in Fall 2022 which will include a comprehensive review of Enbridge Gas’ planning processes, the demand forecast and the Asset Management Plan. Enbridge Gas never understood the Working Group would provide input on the demand forecast process and the asset management requirements. The appropriate time to review Enbridge Gas’ planning processes and the Asset Management Plan is in the Rebasing proceeding, not at the IRP Working Group. Enbridge Gas is holding a Rebasing Stakeholder meeting in June 2022 where Enbridge will provide information about the upcoming filing. Enbridge Gas notes there is no direction to review or provide the planning processes, demand forecast or the Asset Management Plan to the Working Group in the OEB’s IRP decision or the IRP Working Group Terms of Reference</p> <p>Posterity Model: The Working Group have requested Enbridge Gas to provide the model used by Posterity Group to assess energy efficiency opportunities on Enbridge Gas’ system. Enbridge Gas does not own the Posterity model and cannot provide it. Enbridge Gas will explain the model, how it is used and the inputs/outputs as it develops the IRP Pilots.</p> <p>Interruptible Rates: In its IRP Decision, the OEB ordered Enbridge Gas “to study its interruptible rates to determine how they might be modified to increase customer adoption of this alternative service. This initiative is expected to help reduce peak demand, and the study should be filed as part of the next rate rebasing application”. (p.35). Enbridge is completing this direction and it will be filed in the Rebasing Application. Enbridge Gas notes there is no direction to review the Interruptible Rates study with the Working Group in the OEB’s IRP decision or the IRP Working Group Terms of Reference.</p> |
|--|---|

4. Description of Other Key Activities to Date

The Working Group's Terms of Reference confirmed the following items noted in the IRP Decision as the highest initial priorities for the Working Group (in addition to the review of Enbridge Gas's annual IRP report):

- **Consideration of IRP pilot projects to better understand how IRP can be implemented to avoid, delay or reduce facility projects.**
 - The IRP Framework indicated that Enbridge Gas is expected to develop and implement two IRP pilot projects. The pilots are expected to be an effective approach to understand and evaluate how IRP can be implemented to avoid, delay or reduce facility projects. The IRP Framework indicated that the OEB expects that the IRP pilot projects will be selected and deployed by the end of 2022.
 - Working Group activities: The Working Group has had several discussions to provide input to Enbridge Gas on pilot design, focusing primarily on the pilot objectives, the criteria that will be used to select and prioritize pilots, and the types of IRP Alternatives should be a priority to test in the pilots. Enbridge Gas has proposed four potential pilots built on different types of IRP Alternatives: (1) enhanced targeted energy efficiency in combination with a bridging supply-side solution; (2) a peak shaving supply-side IRP Alternative using either compressed natural gas or liquefied natural gas; (3) a demand response program focused on general service customers' heating loads; and (4) a demand response/interruptible rates initiative focused on Enbridge Gas's larger contract customers. Enbridge Gas is also considering a geographical IRP pilot that may address multiple needs within a specific area and include a suite of IRP alternatives, potentially including demand-side and supply-side IRP alternatives, as well as considering enhanced inspection/integrity management measures. In the coming months, it is expected that Enbridge Gas will propose specific projects that match these potential pilots to real system needs identified in its Asset Management Plan, for Working Group review, prior to Enbridge Gas's final selection of pilots. Additional discussion and refinement of the pilot proposals will take place by the Working Group, prior to Enbridge Gas filing pilot applications to the

OEB for approval.

- **Enhancements or additional guidance in using the Discounted Cash Flow-plus economic evaluation methodology to assess and compare the costs and benefits of using either facility solutions or IRP alternatives to meet system needs.**
 - The IRP Framework established a three-phase discounted cash flow-plus (DCF+) test as the economic evaluation that will be used to compare the costs and benefits of different approaches to meeting system need (IRP alternatives, facility alternatives, or a combination). The OEB concluded that the DCF+ test could be improved to better identify and define the costs and benefits of Facility Alternatives and IRP Alternatives, and clarify how these costs and benefits should be considered within the DCF+ test. This could include expanding the inputs to recognize increasing carbon costs, the risk that a constraint remains unresolved, and impact on gas supply costs. Enbridge Gas was directed to study improvements to the DCF+ test, and encouraged to consult with the Working Group, and use the IRP pilot projects as a testing ground. Enbridge Gas was directed to file an enhanced DCF+ test for approval as part of the first non-pilot IRP Plan.
 - Working Group activities: The Working Group has had several preliminary discussions on this topic. This included an analysis and *presentation* by Working Group member and cost-effectiveness expert Chris Neme, which made several proposals to improve or refine the DCF+ test, while remaining consistent with the OEB's guidance on this topic in the IRP Decision. Enbridge Gas is also planning to propose several refinements to the DCF+ test, but these have not yet been discussed with the Working Group. In the coming months, the Working Group plans further discussion, with the goal of agreeing on a preliminary approach to cost-effectiveness that can be used for the IRP Pilot applications. Additional work will be done as needed to address issues that were not completely resolved at the time of filing the pilot applications, and may include development of a supporting guidance document regarding use of the DCF+ test.

The Working Group has also discussed whether to give any consideration to the IRP-related aspects of Enbridge Gas's rebasing application, which would likely be contingent on the degree

of information that Enbridge Gas will provide regarding its application. Enbridge Gas has recently indicated that it will bring forward information on one IRP issue that will be part of rebasing - Enbridge Gas's approach to interpreting the IRP Framework's criteria for screening system needs - for discussion at an upcoming Working Group meeting, and is considering whether other IRP-related aspects of the rebasing application, including the draft Asset Management Plan, can be discussed with the Working Group.

Other potential areas of work for the Working Group in the future may include addressing:

- Learnings from natural gas IRP in other jurisdictions
- Performance metrics for IRP
- Accounting treatment of IRP costs
- Treatment of stranded assets in system planning
- Other activities relevant to the IRP Framework, as identified by the Working Group or as directed by the OEB

The Working Group has not to date discussed these topics in any depth (with the exception of some consideration of IRP in other jurisdictions with regards to pilot proposals).

A draft Work Plan is maintained for the Working Group and updated on a regular basis, outlining workstreams and expected timing of key deliverables.



August 9, 2022

Honourable Michael Kerzner
Solicitor General of Ontario
830 Sheppard Ave. W.,
Toronto ON M3H 2T1
Michael.Kerzner@pc.ola.org

Dear Solicitor General Kerzner:

Re: Mandatory Firefighter Certification

The Ontario Government has been making great improvements to the legislation which governs the manner in which municipalities conduct their business. One such piece of legislation is the *Fire Protection and Prevention Act, 1997* and particularly, the requirements for firefighter certification.

While the Town of South Bruce Peninsula supports, in principle, the updates to requirements for volunteer and full-time fire service professionals, we must provide our comments in order for the Province to understand the great burden that the regulations will place on municipalities. Council discussed this issue at their regular Council meeting held on August 2, 2022 and adopted resolution R-296-2022 directing that you are contacted for assistance.

Smaller municipalities such as ours, are not fortunate enough to have full-time firefighters. Our emergency personnel are all volunteers with the exception of our Fire Chief who is a full-time employee and our Deputy Fire Chief who is a part-time employee. It is difficult for our volunteers to dedicate the time to obtaining full certification in the manner legislated, as the fire service is not their primary employment. We have found that the average retention period for volunteers is three to five years meaning that once fully trained, most of our volunteers would leave the service or may even leave the service before they are fully trained and certified.

As you can imagine, this places a huge financial burden on our taxpayers as the certification is an additional cost which is funded wholly from the tax base. No grant funding or other financial assistance has been offered from the Province.

We are under the understanding that the Association of Municipalities of Ontario, many municipal governments and the Fire Chiefs across Ontario have raised concerns regarding the legislated requirements for certification. We are respectfully requesting that meaningful consultation and collaboration with the commenting parties takes place

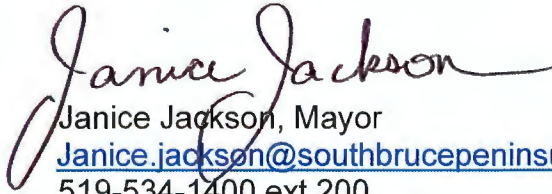


TOWN OF SOUTH BRUCE PENINSULA

quickly so that municipalities can better manage their finances and workforce where emergency service provision is concerned.

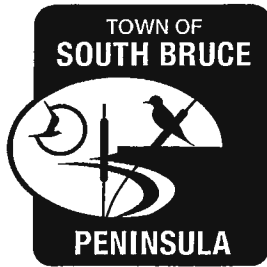
We look forward to hearing from you and to discussing our position on this important matter with you further.

Yours very truly,


Janice Jackson, Mayor
Janice.jackson@southbrucepeninsula.com
519-534-1400 ext 200

Enclosure (1)

cc: Premier Doug Ford, MPP Rick Byers, AMO, OSUM, All Ontario Municipalities,
Ministry of the Solicitor General (Ministry Office)



Excerpt from Council Meeting Minutes – August 2, 2022

41. Notice of Motion – Mayor Jackson - Mandatory Firefighter Certification

Manager of Emergency Services/Fire Chief Wilson explained that the regulation was passed and only slightly amended. The financial burden is quite large to municipalities. The average retention of a fire fighter is 3-5 years. In order to become fully trained, it would take 3 years.

R-296-2022

It was **Moved** by J. Jackson, **Seconded** by J. Kirkland and **Carried**

Whereas municipal governments provide essential services to the residents and businesses in their communities;

And whereas the introduction of new Provincial policies and programs has an impact on municipalities;

And whereas municipal governments are generally supportive of efforts to modernize and enhance the volunteer and full-time fire services that serve Ontario communities;

And whereas the Association of Municipalities of Ontario (AMO) believes in principle that the fire certification is a step in the right direction, however it has not endorsed the draft regulations regarding firefighter certification presented by the Province;

And whereas municipalities and AMO are concerned that the thirty-day consultation period was insufficient to fully understand the effects such regulations will have on municipal governments and their fire services;

And whereas Fire Chiefs have advised that the Ontario firefighter certification process will create additional training and new cost pressures on fire services;

And whereas the Ontario government has not provided any indication that they will offer some form of financial support to deliver this service;

And whereas AMO, on behalf of municipal governments, in a letter to Solicitor General Jones dated February 25, 2022, made numerous comments and requests to address the shortcomings in the draft regulations;

CLERK'S DEPARTMENT

June 28, 2022

Honourable Doug Ford
Premier of Ontario
Legislative Building
Queen's Park
Toronto, ON
M7A 1A1

Dear Premier Ford:

Re: Summary and Implications of Provincial Bill 109: More Homes for Everyone Act, 2022

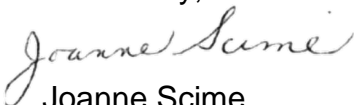
This correspondence is to confirm that on June 27, 2022, West Lincoln Township Council adopted the following resolution regarding the Summary and Implications of Provincial Bill 109: More Homes for Everyone Act, 2022

That, the correspondence from the Town of East Gwillimbury, dated June 15, 2022, requesting the Government of Ontario to revisit the provisions of Bill 109 and work with all stakeholders, including municipalities represented by the Association of Municipalities of Ontario to deliver legislation that allows municipalities to plan, grow and deliver communities that adhere to local, provincially-approved Official Plans, rather than strict statutory timelines; be received and supported; and,

That, a copy of this Motion be sent to the Honourable Doug Ford, Premier of Ontario, MPP Caroline Mulroney, the Minister of Municipal Affairs and Housing, Regional Chairs in Ontario, the Association of Municipalities of Ontario (AMO) and all Ontario municipalities

If any further information is required, please contact the undersigned at 905-957-5136.

Yours truly,


Joanne Scime
Clerk

cc. The Honourable Steve Clark, Minister of Municipal Affairs and Housing
The Honourable Caroline Mulroney, MPP York-Simcoe
Regional Chairs in Ontario
AMO
All Ontario Municipalities

THE CORPORATION OF THE COUNTY OF WELLINGTON

File No: OP-2021-01-01
Municipality: County of Wellington
Subject Lands: All lands within the municipal boundary
of the County of Wellington

Date of Adoption: May 26, 2022
Date of Notice: June 1, 2022

TOWN OF HALTON HILLS

NOTICE OF ADOPTION

With Respect to an Amendment to the County of Wellington Official Plan
Section 17, 21 and 26 of the *Planning Act*
(Re: OPA 119 - County of Wellington)

Take Notice that on May 26, 2022 the Corporation of the County of Wellington passed By-law No. 5760-22 to adopt Official Plan Amendment No. 119 to the County of Wellington Official Plan under Section 17, 21 and 26 of the *Planning Act* R.S.O. 1990 c. P. 13, as amended.

Purpose and Effect of the Official Plan Amendment

In keeping with the Planning Act, the County of Wellington must update its Official Plan to ensure policies stay current with Provincial plans and policies and reflect the community's changing needs. This is to be accomplished through the County's Official Plan Review which includes a Municipal Comprehensive Review (MCR) component under the Growth Plan for the Greater Golden Horseshoe. The Minister of Municipal Affairs and Housing has advised that municipalities may choose to use a phased approach, which includes more than one official plan amendment, to achieve conformity with the Growth Plan. Official Plan Amendment No. 119 (OPA 119) is the County's first amendment as part of the MCR.

The purpose of OPA 119 is to revise the Plan to define and identify a County growth structure. The effect of the Amendment is to add policies to support complete communities, establish a revised hierarchy of settlement areas based on servicing, identify employment areas, and address other technical and housekeeping changes. Specific aspects of this amendment apply to lands in the Township of Puslinch and include the identification of a new Regionally Significant Economic Development Study Area and the identification of the historic hamlet of Puslinch.

Subject Lands

OPA119 will apply to all lands within the County of Wellington. There are also specific aspects of this amendment that apply to the Township of Puslinch as depicted in the key map below.

Effect of Written and Oral Submissions

Comments were received and considered throughout the development of OPA119 including Indigenous consultation. Written and oral submissions made during the statutory public meetings were considered by staff and County Council. A summary of all comments submitted and staff responses can be found on the County's Official Plan Review page in Planning Committee Report PD2022-14 accessed here: www.wellington.ca/planwell

Public Access to Information

Copies of adopted OPA119 and additional information about the amendment are available for public inspection during regular office hours (8:30 – 4:00 p.m.) at the location below:

County of Wellington
Planning and Development Department
74 Woolwich Street, 3rd Floor
Guelph ON, N1H 3T9

Public access to the adopted OPA No.119 is also available on the County Website at: www.wellington.ca/planwell

Provincial Approval Process

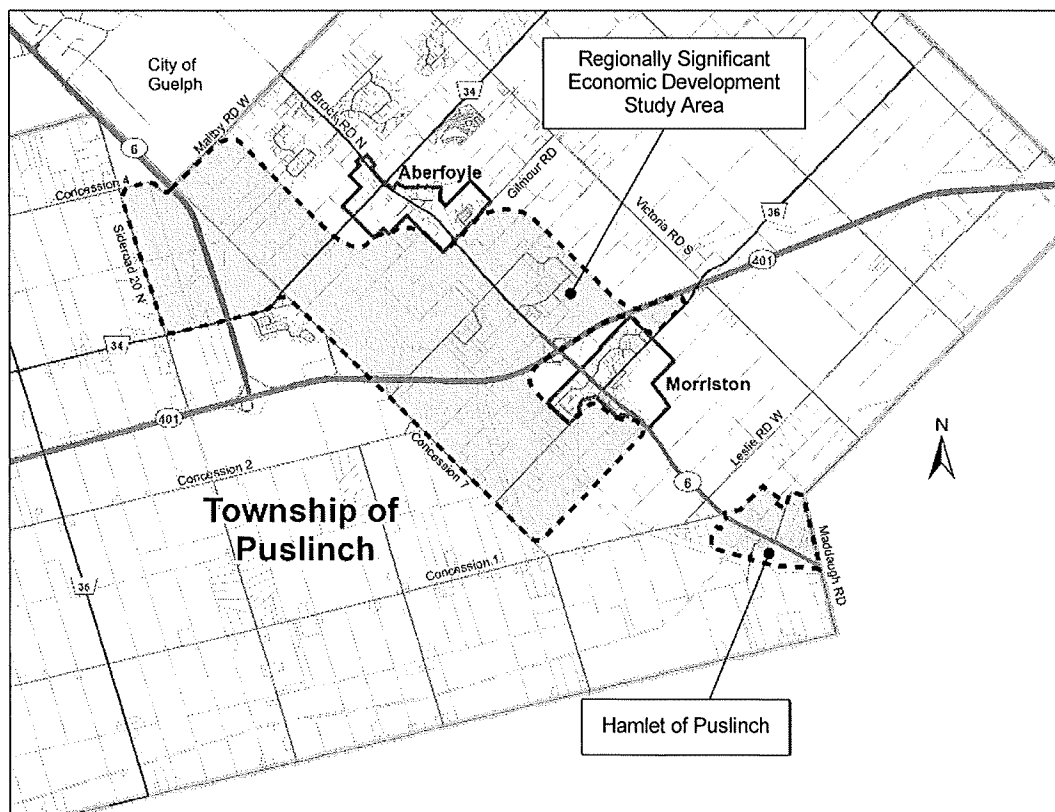
OPA119 has been forwarded to the Ministry of Municipal Affairs and Housing for final approval. If you wish to be notified of the Ministry's decision in respect to the proposed amendment, you must make a written request to the Ministry at the following address. Any person or public body will be entitled to receive notice of the Ministry's decision if a written request to be notified of the decision is made directly to the Ministry as noted below.

Ministry of Municipal Affairs and Housing
Attention: Mr. Ian Kerr, Regional Director
Western Municipal Services Office
659 Exteter Road, 2nd Floor
London, ON N6E 1L3
Telephone: (519) 873-4026
Toll Free: 1-800-265-4736
Fax: (519) 873-4018

Dated June 1, 2022

Clerk, County of Wellington
Administration Centre
74 Woolwich Street, Guelph ON,
N1H 3T9
Telephone: (519) 837-2600
Fax: (519) 837-1901

KEY MAP



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August 18, 2022

In This Issue

- 2022 PJ Marshall Municipal Innovation Awards.
- Blog: What are group benefits - really?
- Knowledge uncovers significant energy savings.
- Modern lighting to decrease your energy costs.
- Enhance your professional development with OMSSA.
- Careers: MOE, Legal Services Board of Nunavut and Pembroke.

AMO Matters

This year's recipients of the PJ Marshall Municipal Innovation Award at the 2022 AMO AGM are Prince Edward County's proactive approach to financing infrastructure and service expansion to support new housing development, York Region's innovative use of microtunnelling technology to improve wastewater infrastructure while reducing disruption to people and the environment; and, Durham Region for its On Demand transit service which ensures that all residents have access to transit regardless of where they live in the Region.

LAS

If a municipality were shopping for a new group benefits insurance company or wanted to compare rates, the process isn't a simple 24-hour turnaround. We sat down with Group Benefits program partner, Mosey and Mosey, and asked a few questions.

Older lighting technology accounts for appx. 20 - 30% of your facility's energy cost. Upgrading to LED will change that. With over 65 lighting projects completed through the Facility Lighting Service, municipalities are collectively saving over \$1 million annually. Contact Christian Tham for your free budget proposal.

Knowledge gained from Energy Training workshops can uncover significant energy savings. In partnership with Stephen Dixon, with over 55 workshops and 300 attendees, participants have discovered huge energy savings opportunities in their municipal facilities. Contact Christian Tham to book your custom workshop.

Municipal Wire*

This fall, the Ontario Municipal Social Services Association (OMSSA) offers a full slate of virtual workshops designed to build your key skills and competencies. Visit our website and register for a course today.

Careers

Chief Administrative Officer - Legal Services Board of Nunavut. Accountable for the leadership and implementation of programs that streamline the operational processes to deliver effective client legal services. Apply to careers@phelpsgroup.ca by September 13.

Chief Client Services Officer - Legal Services Board of Nunavut. Acts as a change agent and is accountable for all services and programs that impact clients. Apply to careers@phelpsgroup.ca by September 13.

Human Resources Director - Legal Services Board of Nunavut. You will lead the strategic planning for all human resources, workplace culture and well-being initiatives. Apply to careers@phelpsgroup.ca by September 13.

ADM, Drinking Water and Environmental Compliance - Ministry of the Environment. Provides overall direction for the strategic planning and delivery of innovative, risk-informed approaches to improve, monitor, and enforce compliance. Apply online, only, by August 28, 2022.

Chief Administrative Officer - City of Pembroke. The ideal candidate must have strong working knowledge of municipal legislation, statutes and regulations. Apply to humanresources@pembroke.ca by September 10.

About AMO

AMO is a non-profit organization representing almost all of Ontario's 444 municipal governments. AMO supports strong and effective municipal government in Ontario and promotes the value of municipal government as a vital and essential component of Ontario's and Canada's political system. Follow [@AMOPolicy](https://twitter.com/AMOPolicy) on Twitter!

AMO Contacts

AMO Watchfile Tel: 416.971.9856

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AMO's Partners



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August 11, 2022

In This Issue

- Important AMO 2022 information to look for.
- Thank you to AMO 2022 partners, sponsors and exhibitors!
- LAS Blog: You're invited to the AMO Conference.
- Win an iPad!
- Knowledge uncovers significant energy savings.
- Modern lighting to decrease your energy costs.
- Digital partner surveys - Feedback requested.
- Enhance your professional development with OMSSA.
- Careers: MOE, MOEDJCT, TTC, Innisfil and Simcoe County.

Eye on Events

On August 9 all registered AMO 2022 delegates received an email with important information on registering and planning for AMO's Conference in Ottawa August 14 - 17. Don't miss this helpful information. Haven't yet registered? You can in person Sunday, August 14, from 9 am.

The importance of partners, sponsors and exhibitors to the success of the AMO 2022 Conference cannot be overstated. AMO is truly grateful and looks forward to their participation in Ottawa, August 14 -17. Onsite registration will open Sunday, August 14, at 9 am in the Shaw Centre. Visit our program page to see all the outstanding educational offerings and events planned for AMO 2022

LAS

The AMO 2022 Conference starts this weekend and it's in person! Between August 14-17, delegates will have a wide variety of sessions to choose from. Read about some of the topics here.

It's your chance to have your say about how LAS can help your community work better, visit the LAS booth August 14 and 15 at the AMO Conference and fill out a survey. We'll enter your name in a draw to win an iPad.

Older lighting technology accounts for appx. 20 - 30% of your facility's energy cost. Upgrading to LED will change that. With over 65 lighting projects completed through the Facility Lighting Service, municipalities are collectively saving over \$1 million annually. Contact Christian Tham for your free budget proposal.

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LAS wants your feedback on two offerings from our digital partners - the [accessible website builder](#) and the [digital citizen relationship management \(CRM\) software](#). The surveys will take approximately 5 minutes each to complete. Please submit your feedback by August 12.

Municipal Wire*

This fall, the Ontario Municipal Social Services Association (OMSSA) offers a full slate of virtual workshops designed to build your key skills and competencies. Visit our website and [register](#) for a course today.

Careers

[Executive Director, Provincial and Demonstration Schools - Ministry of Education](#).

Provides oversight and strategic leadership to superintendents and managers, that deliver education, curriculum, programs, maintenance, housekeeping, food service operations, IT, lodging, transportation and support services. Submission Deadline: August 31.

[Senior Program Advisor - Ministry of Economic Development, Job Creation and Trade](#). Plan, organize and complete a diverse range of assigned projects. Submission Deadline: August 18.

[Director, Planning & Growth - Town of Innisfil](#). Provides dedicated leadership across a portfolio that encompasses Capital & Development Engineering, Building/Inspection, Municipal By-Law, Economic Development and Planning. Submission Deadline: September 9.

[Director, Talent Acquisition and Outreach - TTC](#). Oversees all aspects of: recruitment; retention strategies for the organization; compensation; internal client group hiring/partnering strategies; requests for proposals (RFP) for talent acquisition services; and more. Submission Deadline: September 2.

[Legislative Coordinator - County of Simcoe](#). Position provides a wide-range of senior level pre- and post-meeting support services to Council, Committees and to staff. Submission Deadline: August 31.

[Accounting Supervisor - County of Simcoe](#). responsible for supervising staff and performing financial requirements within their portfolio. Submission Deadline: August 24.

About AMO

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AMO Contacts

AMO Watchfile Tel: 416.971.9856

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August 4, 2022

In This Issue

- An Integrated Approach to Mental Health and Addictions.
- Important AMO 2022 information to look for!
- Thank you to AMO 2022 partners, sponsors and exhibitors!
- Digital partner surveys - Feedback requested.
- Planning a Road Needs Study for 2023?
- Engaging with communities on electricity procurement.
- Municipalities, electrification and the economy of the future.
- Careers and RFP: OMTRA, KDSB and Hastings County.

AMO Matters

On August 2, AMO was pleased to have the opportunity to submit An Integrated Approach to Mental Health and Addictions to the Ministry of Health.

Eye on Events

On August 9 all registered AMO 2022 delegates will receive an email with important information on registering and planning for AMO's Conference in Ottawa August 14 – 17. Don't miss this helpful information. Check your spam folder if you don't receive the email by August 9. If someone else registered you, check with them. Haven't yet registered? You can register online until August 8 and in person as of Sunday August 14.

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LAS

LAS wants your feedback on two offerings from our digital partners - the accessible website builder and the digital citizen relationship management (CRM) software. The surveys will take approximately 5 minutes each to complete. Please submit your feedback by August 12.

Is a Road Needs Study on your schedule for 2023? Contact Tanner to receive a no-obligation quote for the LAS Road & Sidewalk Assessment Service. Save time and money with high-quality data and the tools to make it useful.

Municipal Wire*

The Independent Electricity System Operator (IESO) is seeking input by August 5 on the process to procure new electricity supply for Ontario. Visit the dedicated LT RFP

[community engagement webpage](#) for more details.

Join Hydro One on Tuesday, August 16, in Governor General 1 room, at the AMO 2022 Conference in Ottawa, as we discuss how we can help your municipality plan and prepare for the economy of the future, including the electrification of transit, personal vehicles and industry.

Careers

[Request for Proposal - Ontario Municipal Tax and Revenue Association](#). Seeking a vendor who has demonstrated experience in successfully developing consensus-based strategic plans and has strong facilitation skills. Responses must be emailed to stratplan@omtra.ca by August 26.

[Director/Chief of Emergency Medical Services - Kenora District Services Board](#).

Provides overall direction, leadership and planning for direct and contracted ambulance and paramedic services. Apply to hr@kdsb.on.ca by August 16.

[Director of Finance/Treasurer - County of Hastings](#). The position will provide executive leadership of the Financial Services Department. Apply to careers@hastingscounty.com August 26.

About AMO

AMO is a non-profit organization representing almost all of Ontario's 444 municipal governments. AMO supports strong and effective municipal government in Ontario and promotes the value of municipal government as a vital and essential component of Ontario's and Canada's political system. Follow [@AMOPolicy](#) on Twitter!

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AMO's Partners



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July 28, 2022

In This Issue

- Guidelines for administrative penalties for Vehicle-Based Contraventions.
- AMO Conference keynote - AMO-COU lecture: Adapting to Climate Change.
- Blog: You're invited to the AMO Conference.
- Digital partner surveys - Feedback requested.
- Energy reporting deadline extended.
- Careers: Toronto, DPSSSAB, Guelph/Eramosa and Rideau Valley CA.

Provincial Matters

The Ministry of Transportation (MTO) has released [program guidelines](#) for the new regulation on Administrative Penalties (AP) for Vehicle-Based Contraventions Captured by Automated Cameras. Questions can be directed to roadsafety@ontario.ca.

Eye on Events

AMO in partnership with the Council of Universities of Ontario is proud to present Dr. Daniel Henstra of the University of Waterloo who will be addressing conference delegates on the important topic of local adaptation to climate change: *Local Government Tools to Build Climate Resilience*. [Register today](#). You have until August 8 to register online after which onsite registration will be available as of August 14.

LAS

LAS Blog: The AMO 2022 Conference is in Ottawa and in person! Between August 14-17, delegates will have a wide variety of sessions to choose from. Read about some of the topics [here](#).

LAS wants your feedback on two offerings from our digital partners - the [accessible website builder](#) and the [digital citizen relationship management \(CRM\) software](#). The surveys will take approximately 5 minutes each to complete. Please submit your feedback by Friday, August 12.

Did you miss the [O. Reg. 507/18](#) annual energy reporting deadline? The Ministry of Energy will accept 2020 consumption data up to August 26, 2022. Please email BPSsupport@ontario.ca if you have any questions about the regulation.

Careers

[City Manager - City of Toronto](#). The City Manager is the most senior official in the City's administrative structure, with accountability to the Mayor and City Council for the policies and programs delivered by members of the Toronto Public Service.
Submission Deadline: August 22.

[Director of Women's Services - District of Parry Sound Social Services Administration](#)

Board. Position will oversee the development and delivery of Women's Services and Violence Against Women programs, including the Esprit Place Family Resource Centre, Child Witness Program, and the Outreach Program. Submission Deadline: August 19.

Deputy Clerk - Township of Guelph/Eramosa. Responsible in fulfilling the statutory duties and providing administrative support and assistance to the Legislative Services Department, Township Council and Committees. Submission Deadline: August 11.

Regulations Inspector (Septic) - Rideau Valley Conservation Authority. Ensures compliance with the Ontario Building Code and other regulations concerning septic applications. Apply to hr@rvca.ca by August 15.

About AMO

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July 21, 2022

In This Issue

- AMO is seeking a new Director of Policy and Government Relations.
- Guidelines for administrative penalties for Vehicle-Based Contraventions.
- Pandemic recovery support for municipal health and safety programs.
- Jump-start your digital transformation with an e-signature solution.
- Digital partner surveys - Feedback requested.
- Blog: You're invited to the AMO Conference.
- Careers: TBS, West Grey, Bruce County and Peel Regional Police.

AMO Matters

Are you an accomplished leader interested in having a transformational impact on public policy in Ontario? Then consider the opportunity to become AMO's next Director of Policy and Government Relations. Please take a moment to review the [position profile](#) and consider what you want your next accomplishments to be. Confidential inquiries from qualified candidates should be directed to HR@amo.on.ca with complete applications due by August 22, 2022.

Provincial Matters

The Ministry of Transportation (MTO) has released [program guidelines](#) for the new regulation on Administrative Penalties (AP) for Vehicle-Based Contraventions Captured by Automated Cameras. Questions can be directed to roadsafety@ontario.ca.

Eye on Events

On July 26, [4S Consulting Services](#) is co-hosting a webinar with the Workplace Safety and Insurance Board (WSIB) on pandemic recovery supports available to municipalities for health and safety programs. Speakers will walk you through how you can double the rebate on WSIB premiums among other topics. [Register today.](#)

As municipalities move from paper to electronic filing, authentication of files is a critical challenge. On July 27, join AMO's partner, [Notarius](#), and learn how ConsignO Cloud can reduce the signing time of documents and allow anyone to sign legally reliable documents electronically with a phone, a tablet, or a computer. [Register here.](#)

LAS

LAS wants your feedback on two offerings from our digital partners - the [accessible website builder](#) and the [digital citizen relationship management \(CRM\) software](#). The surveys will take approximately 5 minutes each to complete. Please submit your feedback by Friday, August 12.

The AMO 2022 Conference is just over one month away and it's in person. Between August 14-17, delegates will have a wide variety of sessions to choose from. Read about some of the topics [here](#).

Careers

Assistant Deputy Minister, Emergency Management Preparedness - Treasury Board Secretariat. Provides executive leadership for the strategic planning, priority setting, and resourcing of the Division. Apply online by July 24.

Director, Indigenous Engagement and Support Programs - Treasury Board Secretariat. Provides strategic direction and leadership in the planning, development and management of the delivery model for supporting Indigenous communities' preparedness. Apply online by July 24.

Director, Exercises, Education & Training and Director, Regional Field Services - Treasury Board Secretariat. This competition will be used to fill two positions within Emergency Management Ontario. As Director, Exercises, Education & Training, you will provide executive leadership and oversee the development, implementation, and maintenance of provincial emergency management exercises. As Director, Regional Field Services, you will provide strategic leadership to a geographically dispersed team of managers that support municipalities and Indigenous communities to develop their emergency management programs. Apply online by July 24.

Director, Infrastructure and Public Works - Municipality of West Grey. Leads a multi-faceted department including transportation infrastructure, engineering, land development, storm water management, public works, and more. Apply to careers@lesp.ca by August 15.

Quality Assurance Specialist - County of Bruce. Responsible for developing and implementing quality assurance programs and practices. Apply online by August 1.

Employment Services Program Assistant - County of Bruce. Supports operation and delivery of the program, and provides general administrative support. Apply online by August 1.

Service Provider Liaison - County of Bruce. Supports employment provider compliance with service agreements and guidelines, legislation, and regulations. Apply online by August 1.

Officer, Court Liaison - Peel Regional Police. Responsible for performing functions related to the safe and efficient operation of the court. Apply online by July 28.

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July 14, 2022

In This Issue

- AMO is seeking a new Director of Policy and Government Relations.
- ?Blue Box Transition: Interest in providing curbside collection - due July 15!
- ?Invasive species survey now open.
- AMO and TVO partnering again for 2022 AGM.
- AMO Board election - Caucus affiliation deadline.
- Pandemic recovery support for municipal health and safety programs.
- Jump-start your digital transformation with an e-signature solution.
- Our turn-key LED program is at your service!
- Energy workshops reduce GHG emissions in your buildings.
- Careers: King, Summerside, Waubeek ELCCC, MoT and Huron County.

AMO Matters

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Provincial Matters

The operational planning for the collection and processing system for Blue Box materials is well underway. Municipalities interested in providing curbside collection need to indicate their preference by [July 15, 2022](#).

The Auditor General of Ontario has sent a survey to all Ontario municipalities about Invasive Species Management. Members are encouraged to participate in the survey and can direct any questions to the [Auditor General's Office](#).

Eye on Events

AMO is pleased to announce that our successful partnership with TVO's The Agenda with Steve Paikin will continue as we go live and in-person in Ottawa August 14-17. Join John Michael McGrath, Nam Kiwanuka, Jeyan Jeganathan and Steve Paiken as they moderate the Ministers' Forum, Women's Leadership, Trailblazers and Economic Recovery Panels. Also participating is Jeffrey Orridge, TVO's Chief Executive Officer, who will address AMO delegates. [Register](#) today.

The deadline to change your Caucus affiliation to vote in the AMO Board election is July 18. If you wish to change the Caucus in which you are currently registered, please email events@amo.on.ca with your name and desired Caucus affiliation **before the July 18 deadline**. Still need to [register](#)? Make sure to choose your caucus when doing so.

On July 26, 4S Consulting Services is co-hosting a webinar with the Workplace Safety and Insurance Board (WSIB) on pandemic recovery supports available to municipalities for health and safety programs. Speakers will walk you through how you can double the rebate on WSIB premiums among other topics. Register today.

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LAS

Our popular LAS Facility Lighting Service is ready to help you! Take advantage of our complete turn-key solution for municipalities wanting to upgrade their lighting to LED. Contact us for your free no-obligation proposal including a cost and financial return analysis.

Did you know buildings are responsible for about 40% of greenhouse gas emissions in Ontario? LAS in partnership with Stephen Dixon offers workshops on carbon reduction strategies to help you fight harmful GHGs. Dates are still available this fall. Contact Christian Tham for more information.

Careers

Planner I - Development - Township of King. Responsible for the file management, review, and analysis of various planning/development applications and inquiries. Forward resume by 4:30 PM on August 1 to: Human Resources, 2585 King Road, King City, ON, L7B 1A1. email: hr@king.ca.

Planning Coordinator - Township of King. Provides assistance and information, including planning policy, zoning, and other similar items. Apply to hr@king.ca by August 2.

Chief Administrative Officer - City of Summerside, Prince Edward Island. Reporting to and working collaboratively with a Council, the CAO provides oversight to all financial and human resources of the City. Apply online by August 8.

Child Care Supervisor - Waubeek Early Learning and Child Care Centre. Responsible for the effective operation of the program(s) through organization, planning resourcing and performance management. Apply to jobs@psdssab.org by August 4.

Assistant Deputy Minister, Integrated Policy and Planning - Ministry of Transportation. Works across the ministry, OPS and with other levels of governments and stakeholders to deliver the ministry's transportation mandate, and supports critical government policy and planning interests. Apply online by July 27.

Deputy Chief Professional Standards, Emergency Services - County of Huron. Assists in motivating, coaching and mentoring staff to their highest practical standard. Apply to: humanresources@huroncounty.ca by July 29.

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July 7, 2022

In This Issue

- AMO is seeking a new Director of Policy and Government Relations.
- 2022-24 AMO Board of Directors Nominations Report.
- Housing in Ontario and Bill 109.
- AMO is proud to announce 2022 Conference keynote speaker, Dr. Samantha Nutt.
- AMO Board election - Caucus affiliation deadline.
- Blog: AMO Conference - Live and In-person.
- FCM funding for road assessments ends soon!
- Promote your RFP with OMSSA.
- Careers: Brockton, Brampton, Oakville, Fairhaven LTC and Georgina.

AMO Matters

Are you an accomplished leader interested in having a transformational impact on public policy in Ontario? Then consider the opportunity to become AMO's next Director of Policy and Government Relations. Please take a moment to review the [position profile](#) and consider what you want your next accomplishments to be. Confidential inquiries from qualified candidates should be directed to HR@amo.on.ca with complete applications due by August 22, 2022.

The Secretary-Treasurer has released the [Nominations Report](#) for the AMO Board of Directors with a list of confirmed candidates. Elections will be held at the Annual Conference & General Meeting August 15-17, 2022.

AMO members are encouraged to review AMO's [recent work](#) on housing and homelessness as they navigate the changes set out in [Bill 109: the *More Homes for Everyone Act*](#).

Eye on Events

A medical doctor, a founder of renowned global organization, War-Child, Dr. Nutt will explore the idea of *Building Better Communities Through Principled Leadership in Challenging Times*. Dr Nutt is one of the many outstanding educational opportunities at AMO 2022. [Register](#) today.

The deadline to change your Caucus affiliation to vote in the AMO Board election is July 18. If you wish to change the Caucus in which you are currently registered, please email events@amo.on.ca with your name and desired Caucus affiliation **before the July 18 deadline**. Still need to [register](#)? Make sure to choose your caucus when doing so.

LAS

The last two years the Association of Municipalities of Ontario hosted the annual conference and general meeting virtually. This year we are finally able to gather again, live and in-person in Ottawa for August 2022. What can you expect? Read more [here](#).

If you were thinking of using FCM's Municipal Asset Management Fund (MAMP) for your Road & Sidewalk Assessment this year, you'll want to act quick. FCM is closing the application window on July 15 at midnight. Don't delay, apply today!

Municipal Wire*

Post your open RFPs to OMSSA's RFP Board and have it shared with human services professionals across Ontario. Email jobs@omssa.com to post your opportunity. Subscribe today to receive open opportunities.

Careers

Director of Operations - Municipality of Brockton. Provides supervision, management, leadership, technical expertise and related communications. Apply to jfarrell@brockton.ca by July 29.

Supervisor, Inspections, Building - City of Brampton. Responsible for the field supervision of inspectors; monitors the inspection program to ensure proper and consistent application of technical standards. Apply online by July 14.

Supervisor, Database and Development - Town of Oakville. Responsible for supporting the Town's ITS leadership in their efforts at overseeing, managing and leveraging the IT Assets and Service. Apply online by July 20.

Executive Director - Fairhaven LTC Home. Responsible for strategic planning, administration, financial control and evaluation of all services, programs and activities. Apply online by August 5.

Manager, Capital Delivery - Town of Georgina. Responsible for business planning, financial management, public participation/ communication, Council reporting, technical expertise and construction contract administration. Apply online by July 22.

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June 30, 2022

In This Issue

- Conservation Authorities Act Regulations Webinar – Recording Available.
- AMO 2022 Delegation Requests Extended to Tomorrow!
- Resources on non-full-time employee enrolment in OMERS.
- Gender-responsive Public Budgeting Online Course.
- Careers.

AMO Matters

Conservation Ontario and AMO co-hosted a webinar on Wednesday, June 22nd to discuss the second phase of regulations under the Conservation Authorities Act. A recording is available [here](#).

Eye on Events

Your opportunity to request delegation meetings with Provincial Cabinet Ministers ends tomorrow – Friday June 30 at 5pm! Do not miss this opportunity to discuss local issues of concern at AMO 2022. To request a meeting [click here](#). To register for AMO 2022 [click here](#).

MEPCO

Starting January 2023, non-full-time employees can join the OMERS Plan. OMERS has created an [FAQ on non-full-time enrolment](#) and is hosting training sessions for employers on [July 20](#) and [July 25](#).

Municipal Wire*

This [course](#) provides the basics on gender responsive budgeting, including identifying gaps and inequalities between men and women in the provision of services and considering measures to promote equality. The course is available in English and French. It is composed of nine modules and should take seven hours to complete.

Careers

[Director, Community and Indigenous Supports Branch - Ministry of Children, Community and Social Services](#). Provide strategic leadership to programs and services that support victims of Indigenous communities across Ontario. [Apply online](#) by July 5.

[Treasurer - Municipality of Magnetawan](#). Reporting to the CAO and Council, serves as the Municipality's Chief Financial Officer and custodian of the revenues and securities, liaises with other department heads. Apply to clerk@magnetawan.com by July 13.

[Election Compliance Audit Committee Member - City of Hamilton](#). The Committee is responsible for making decisions on Applications for municipal election campaign finance compliance audits by electors and on reports from the City Clerk. Apply to elections@hamilton.ca by July 29.

[Supervisor, Immunization Services - Halton Region](#). Provide leadership, supervision and support to a team including Public Health Nurses, Registered Nurses, Registered Practical Nurses and Program Assistants. [Apply online](#) by July 12.

[Director of Finance / Chief Financial Officer - City of Greater Sudbury](#). Lead the Finance Division with a continuous improvement mindset and an emphasis on innovation to ensure collaboration and planned business outcomes. Apply to hrjobs@greatersudbury.ca by July 20.

[Project Manager, Traffic Engineering - Region of Peel](#). Responsible for leading a major innovative project to develop a formal business case, in consultation with the Peel Region Local Municipalities. [Apply online](#) by July 20.

[Communications, Advertising and Marketing Officer - City of Kawartha Lakes](#). Consult with City departments to determine needs and objectives for projects and then develop communications and marketing plans to achieve desired results. [Apply online](#) by July 10.

[Supervisor, Policy Planning - City of Kawartha Lakes](#). Provide supervision and effective leadership and direction in the planning, coordination and management of policy development. [Apply online](#) by August 1.

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VIA EMAIL

August 17, 2022

Legislative & Planning Services
Department
Office of the Regional Clerk
1151 Bronte Road
Oakville ON L6M 3L1

Kevin Arjoon, City Clerk, City of Burlington
Meaghan Reid, Town Clerk, Town of Milton
Vicki Tytaneck, Town Clerk, Town of Oakville
Valerie Petryniak, Town Clerk, Town of Halton Hills

Please be advised that at its meeting held Wednesday, July 13, 2022, the Council of the Regional Municipality of Halton adopted the following resolution:

RESOLUTION: LPS59-22 - 2021 State of Housing Report

1. THAT Report No. LPS59-22 Re: "2021 State of Housing Report" be received for information.
2. THAT the Regional Clerk forward a copy of Report No. LPS59-22 to the City of Burlington, the Town of Halton Hills, the Town of Milton, and the Town of Oakville for their information.

Included please find a copy of Report No. LPS59-22 for your information.

If you have any questions please contact me at the e-mail address below.

Sincerely,

A handwritten signature in blue ink, appearing to read "Graham Milne", written over a light blue circular stamp.

Graham Milne
Regional Clerk
graham.milne@halton.ca

Regional Municipality of Halton

HEAD OFFICE: 1151 Bronte Rd, Oakville, ON L6M 3L1
905-825-6000 | Toll free: 1-866-442-5866

| | |
|------------|---|
| Report To: | Regional Chair and Members of Regional Council |
| From: | Bob Gray, Commissioner, Legislative and Planning Services and Corporate Counsel |
| Date: | July 13, 2022 |
| Report No: | LPS59-22 |
| Re: | 2021 State of Housing Report |

RECOMMENDATION

1. THAT Report No. LPS59-22 Re: "2021 State of Housing Report" be received for information.
2. THAT the Regional Clerk forward a copy of Report No. LPS59-22 to the City of Burlington, the Town of Halton Hills, the Town of Milton, and the Town of Oakville for their information.

REPORT

Executive Summary

- The State of Housing Report has been prepared annually since 2006. It provides a review of housing supply and demand in Halton Region and monitors how well the housing sector and market are responding to Regional housing policies.
- In 2021, analysis conducted through Halton's Housing Model generated average household income thresholds of \$62,400 for assisted housing and \$121,400 for market affordable housing in Halton. The thresholds represent the upper limit of household income for assisted and market affordable housing in the Region, respectively.
- The maximum purchase prices for average households were generated as \$249,500 for assisted housing and \$480,700 for market affordable housing. The maximum affordable purchase price of \$480,700 was used as the index to measure the Regional Official Plan (ROP) target that 30 per cent of new housing units produced annually are affordable. In 2021, the 30 per cent affordable threshold target was achieved as 30.5 per cent of new units were affordable.

- In 2021, the Regional Official Plan target related to the mix of new housing development (at least 50 per cent of new housing units produced in the form of townhouses or multi-storey buildings) was also achieved at 62.7 per cent. The housing mix target was achieved for the 11th consecutive year.
- The 2021 State of Housing Report (Attachment #1 – document under separate cover) provides a comprehensive overview of data related to housing policies and targets identified in the Regional Official Plan. The Report also continues to serve as an important source of information on housing initiatives, programs, and the overall housing market.

Background

Section 86(7) of Halton's Regional Official Plan (ROP) requires that a State of Housing Report is to be provided annually to Regional Council, containing:

- a) an update of the definitions of Assisted Housing and Affordable Housing;
- b) a review of housing supply, demand and need in Halton during the past year, covering the housing segments of Assisted Housing, Affordable Housing, Market Housing, Special Needs Housing and housing with universal physical access;
- c) identification of the gaps between supply and demand of Assisted Housing and Affordable Housing;
- d) state of homelessness in Halton; and
- e) performance of the housing market towards meeting the housing targets under ROP Sections 86(6) and 86(6.1).

The State of Housing Report is a comprehensive report prepared in accordance with Section 86(7) of the ROP that monitors achievement of the Region's housing policies and targets. These include housing affordability and mix targets for new housing development.

Discussion

Halton's Housing Model

Halton's Housing Model was created to produce the information required by the ROP to provide an annual State of Housing report to Regional Council that monitors achievement of the Region's housing policies and targets. Data sources used in the Housing Model include: Census data on household income and spending adjusted to 2021 based on Consumer Price Index, housing sales data from the Municipal Property Assessment Corporation (MPAC), average rents and construction data from the Canada Mortgage and Housing Corporation (CMHC), and several other sources for housing carrying costs (i.e. utilities, mortgage rates, taxation rates). Where updated data sources become

available, future Housing Model analysis will include the more current information as they become available such as the 2021 Census data.

Key Findings

New Housing Development Mix

The Region's Housing Mix Target in the Regional Official Plan calls for at least 50 per cent of new housing units produced annually in Halton to be in the form of townhouses or multi-storey buildings (i.e., higher density housing) (ROP Section 86(6)a)).

Despite the continued impacts of the COVID-19 pandemic, housing construction activity in Halton increased in 2021. There were 3,963 new housing completions in 2021, which represents an 18.7 per cent increase in completions compared to 2020. Of the new housing completions, 1,521 units were in the form of new apartment¹ units (38.4 per cent) and 964 units were in the form of townhouse units (24.3 per cent). In total, these higher density housing forms comprised 62.7 per cent of new housing completions, which exceeded the Region's Housing Mix Target of 50 per cent for the 11th consecutive year. The remaining 1,344 completions (33.9 per cent) were in the form of single-detached units and 134 completions (3.4 per cent) were in the form of semi-detached units. This represents an on-going trend toward the development of higher density residential development in Halton in keeping with the Region's land use policies. At the local municipal level, the highest number of new housing completions were in Oakville with 1,824 units (46 per cent) followed by Milton with 1,229 units (31 per cent). Burlington accounted for 747 new units (18.8 per cent) while Halton Hills accounted for 163 new units (4.1 per cent).

Overall, the total number of new housing starts in Halton increased to 4,604 units in 2021, which is an increase by 8.6 per cent from 4,238 units in 2020. Of the total new housing starts in 2021, 61.8 per cent were higher density units (2,237 apartments and 608 townhouses). The remaining 38.2 per cent were single-detached (1,629 units) and semi-detached (130 units). At the local municipal level, Oakville had the highest share of new housing starts with 2,749 units (59.7 per cent) followed by Milton with 1,073 (23.3 per cent). Burlington accounted for 547 new housing starts (11.9 per cent) and Halton Hills had 235 new housing starts (5.1 per cent).

¹ An **apartment** is a unit in any building with three or more units where there is some horizontal separation, including a house of 3 or more units, a purpose built triplex or quadraplex or a building with three or more units above retail. (Canadian Mortgage and Housing Corporation, 2020)

Housing Costs and Affordability

The Region's Housing Affordability Target calls for at least 30 per cent of new housing units produced annually in Halton to be in the form of assisted or affordable housing (ROP Section 86(6)b)).

As noted above, Halton's Housing Model uses information including household income, household spending, housing costs, and average rents in the Region from a variety of data sources to determine housing affordability. Using the data available, analysis is conducted through the Housing Model that generates affordability thresholds (maximum purchase price or monthly rent based on income and housing cost). The thresholds generated by the Housing Model represent what low and moderate income households can afford based on Regional Official Plan definitions for assisted and affordable housing (ROP Sections 214 and 218).

In 2021, Halton Region achieved its 30 per cent Housing Affordability Target with 30.5 per cent of new housing sales under the maximum affordable purchase price. The affordable ownership threshold (or maximum affordable purchase price) for 2021 was \$480,700. Sales data from MPAC indicates that there were 15,005 new and resale units sold in Halton in 2021. Of the total housing sales, 2,295 units (30.5 per cent) were new housing sales and 63 units were in the form of assisted program units and 637 units were at or below the maximum affordable purchase price. Nearly all of the new market affordable housing sales were comprised of townhouses and apartments, demonstrating the link between higher density housing and affordability, with an average price of \$369,808 for the new market affordable housing sales.

The increase in the share of market affordable housing units (units at or below the affordable threshold) was influenced by an overall increase in the share of apartment units completed and brought to the market in Halton Region. With apartment units continuing to account for higher shares of new housing under construction (3,503 units in 2021, an increase from 2,787 in 2020) and new housing starts (2,237 units in 2021, an increase from 1,902 in 2020), it is anticipated that the 30 per cent affordability target may be reached again in the coming years; however, market dynamics on price, built form, and number of bedrooms will determine what portion of these units will sell below the affordable threshold.

The total number of all housing sales (new and resales) in 2021 increased by 16.2 per cent to 15,005 sales from 12,912 sales in 2020. The average price of all sales was \$1,089,162, an increase of 17.1 per cent compared to 2020. For the new sales, the average price was \$756,313, which is an increase of 17.5 per cent compared to 2020. Among other factors, there was a greater share of new single-detached units than new townhouses which contributed to a higher average price of new housing sales. For the resales, the average price was \$1,149,263 in 2021, which is an increase of 19.7 per cent compared to 2020.

Rental Housing

Rental housing is an important form of affordable housing for many of Halton's residents. Halton's Housing Model identifies an on-going shortfall in the supply of affordable rental housing.

In 2021, there were 16,820 private townhouse and apartment rental units with an average rent of \$1,600, a 1.1 per cent increase from \$1,583 in 2020. By municipality, Oakville had the highest average rent in 2021 at \$1,713 followed by Burlington and Milton at \$1,584 and \$1,362, respectively. Halton Hills had the lowest average rent in 2021 at \$1,280.

The Region's overall vacancy rate for private townhouses and apartments decreased to 1.4 per cent in 2021, down from 2.3 per cent in 2020. The on-going low vacancy rate remains below 3 per cent, which is considered as the healthy rate to provide sufficient supply for renters. This suggests that there are continuing challenges for renters to find suitable rental units in Halton Region. The vacancy rates for 2 and 3+ bedroom units remain particularly low (1.4 and 1.2 per cent, respectively) suggesting an inadequate supply of larger rental units in the Region.

Assisted Housing

Halton's Housing Model identifies an on-going shortfall in the supply of assisted housing. Halton's commitment to add more assisted housing opportunities each year helps to mitigate this shortfall.

The Region's Comprehensive Housing Strategy (2014-2024) sets a 10-year target to create 550 to 900 new government-funded housing opportunities, including housing subsidy payments to landlords and residents directly. From 2014 through 2021, the Region created 1,005 new assisted housing opportunities through various delivery models exceeding the 900 upset target of the Comprehensive Housing Strategy. Continued participation by the Federal and Provincial governments will be required to close the gap in the supply of housing available at or below the assisted threshold.

Halton Region has developed a new portfolio approach to guide the creation of go-forward assisted housing opportunities. Up to 600 additional housing opportunities can be created by 2031 if dedicated funding is made available from the Federal and Provincial governments.

FINANCIAL/PROGRAM IMPLICATIONS

The cost of preparing the 2021 State of Housing Report has been included in the Legislative and Planning Services approved 2022 budget.

Respectfully submitted,



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Director, Planning Services and Chief
Planning Official



Bob Gray
Commissioner, Legislative and Planning
Services and Corporate Counsel

Approved by



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If you have any questions on the content of this report,
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Attachments: Attachment #1 – 2021 State of Housing Report (under separate cover)



2021

State of Housing Report



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2021 State of Housing

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2021 State of Housing



Overview

Since 2006, Halton Region has prepared the State of Housing Report annually to provide a review of the Region's housing supply and demand.

The report is also used to monitor how well the Region is implementing its vision for managed and sustainable growth, as set out in Halton's Regional Official Plan and the Provincial Growth Plan.

Halton's vision includes advancing the supply of an adequate mix and variety of housing to meet differing physical, social and economic needs. For more details, refer to sections 86(6), 86(6.1), 86(7), 214, 218 and 256.1 of Halton's Regional Official Plan for further detail.

Using Halton's Housing Model, the Report assesses the Region's success in achieving its Regional Official Plan housing targets (section 86(6)), which call for:

- at least 50 per cent of new housing units produced annually in Halton to be in the form of townhouses or multi-storey buildings; and
- at least 30 per cent of new housing units produced annually in Halton to be affordable or assisted housing.

The *State of Housing Report* also provides summary and highlights on:

- Housing supply and demand in Halton for the various housing segments of the housing continuum.
- Income and housing cost thresholds for assisted and market affordable housing.
- Achievement of the Regional Official Plan targets related to housing density and affordability.
- New housing developments (starts, under construction, and completions).
- Highlights of housing sales (new and resale) in Halton by housing type and affordability.
- Highlights of rental housing market in Halton (average rents, vacancy rates, and number of units by type).
- Assisted housing activities and initiatives by Halton Region.

2021 State of Housing

Housing Continuum

Housing plays an important role in the lives of Halton's residents. Individuals and families move back and forth across the housing continuum depicted below, depending on changes that affect their personal circumstances.

The continuum is based on the following observations:

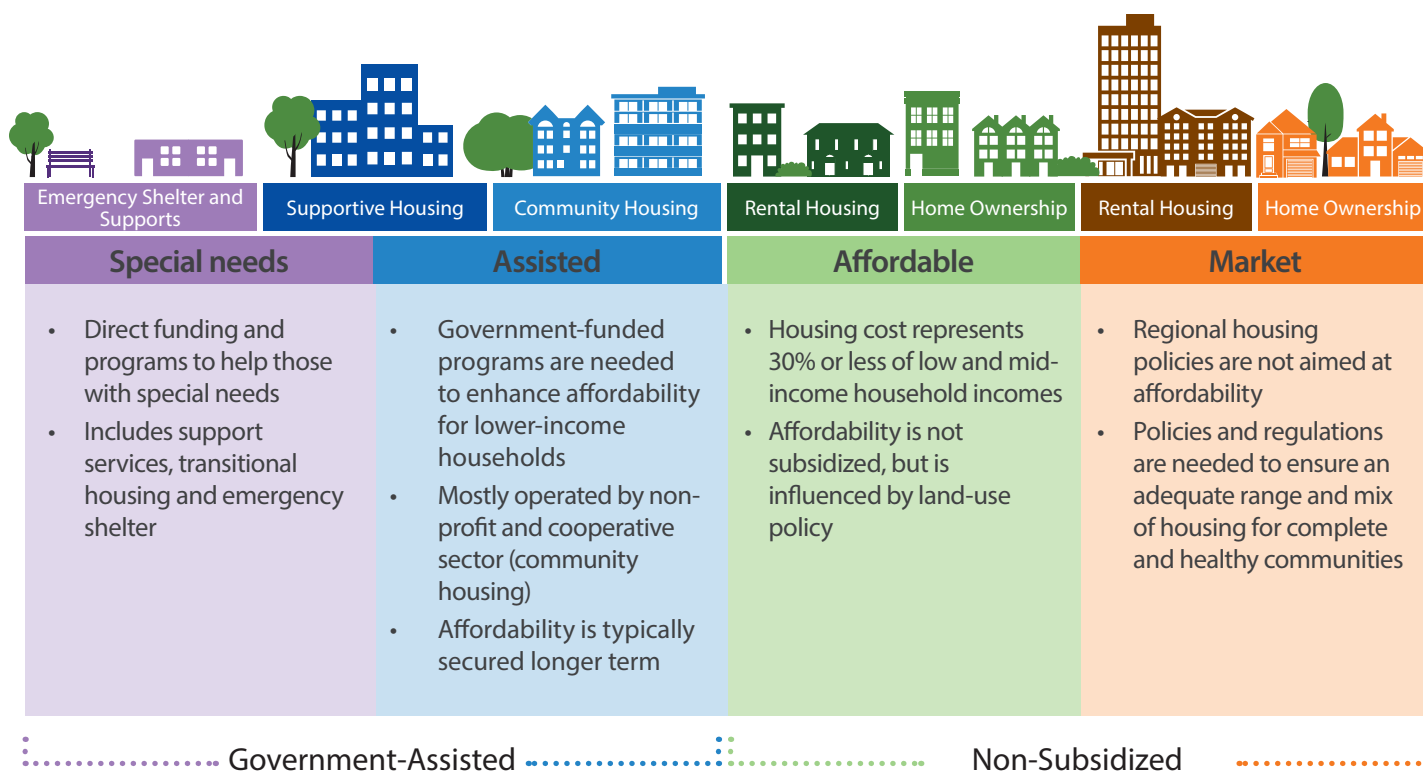
- a range of housing types is required to meet the needs of residents throughout the various stages of their lives and at any level of income;
- private and non-profit sectors play an essential role in providing housing across the continuum; and
- governments have various tools and programs available to provide a range and mix of appropriate housing and supports.

Assisted vs. Affordable Housing

Assisted housing is housing that is affordable for *low and moderate income households* for rent or purchase where part of the housing cost is subsidized through a government program.

Affordable housing is housing with a market price (for purchase) or rent that is affordable to households of low and moderate income, spending no more than 30 per cent of their gross household income on housing, without government assistance.

Affordable rental housing should meet the demand of renter households where they would be able to afford at least three out of ten rental units on the market. Affordable ownership housing should meet the demand of households at the high end and have sufficient income left, after housing expenses, to sustain a basic standard of living.



2021 State of Housing

Halton's Housing Model

Halton's Housing Model gathers various information including household income, household spending, housing costs, and average rents in the region from a variety of data sources. Data sources include Canada Mortgage and Housing Corporation (CMHC), Statistics Canada, and Municipal Property Assessment Corporation (MPAC).

Using the data available, analysis is conducted through the Housing Model that generates thresholds based on household income and housing cost. This calculation is undertaken for both the assisted and affordable (non-assisted) segments of the continuum.

Using the generated thresholds, the Housing Model also generates a snapshot of housing needs by Halton's residents and those looking to live in Halton at a moment in time. These model outcomes may be influenced by the pace of growth or the health of the economy, as well as updates and changes to the inputs or assumptions.

The maximum purchase price or monthly rent generated by the Housing Model represents what a household with that income could afford, based on Regional Official Plan definitions on housing costs for assisted and affordable housing (Section 214(a) of the Regional Official Plan). Affordable rent thresholds per unit-type for some Regional housing programs and initiatives for 2022 are based on CMHC's 2021 annual Rental Market Report and can be found on page 20 of this report.

Income and Housing Cost Thresholds

The tables below provide a summary of the upper limit household income and housing cost thresholds in Halton Region calculated through the Housing Model for 2021.

In 2021, the assisted income threshold increased to \$62,400 from \$61,700 (up by 1.1 per cent). Households with an income below the assisted income threshold typically require some form of government assistance to meet their housing needs, as the private sector in Halton typically does not provide many opportunities to buy or rent below the associated housing cost thresholds. Few housing opportunities exist in the open market to purchase below \$249,500 or rent below \$1,560.

The affordable (non-assisted) income threshold increased to \$121,400 in 2021 from \$107,800 in 2020 (up by 12.6%). Households with an income between the assisted and affordable income thresholds have options to purchase a house priced below the market affordable housing cost threshold of \$480,700 or rent with monthly costs below \$2,300.

The maximum affordable purchase price of \$480,700 is used as the index to measure the Regional Official Plan target that 30 per cent of new housing units produced annually are affordable or assisted.

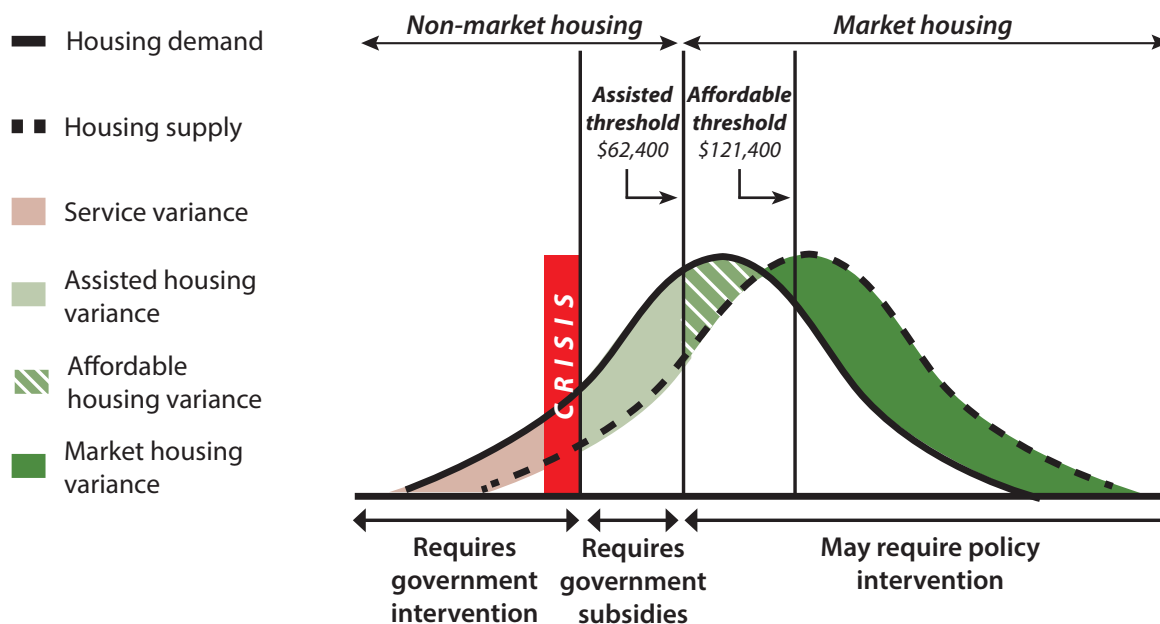
| Assisted | All households (average - 2.8 people) | Small households (1 to 2 persons) | Large households (3+ persons) |
|------------------------|--|--------------------------------------|----------------------------------|
| Income threshold | \$62,400 | \$58,100 | \$67,100 |
| Maximum purchase price | \$249,500 | \$232,500 | \$268,300 |
| Maximum monthly rent | \$1,560 | \$1,450 | \$1,680 |

| Affordable (non-assisted) | All households (average - 2.8 people) | Small households (1 to 2 persons) | Large households (3+ persons) |
|--------------------------------|--|--------------------------------------|----------------------------------|
| Income threshold | \$121,400 | \$80,400 | \$167,500 |
| Maximum purchase price | \$480,700 | \$320,600 | \$660,200 |
| Maximum monthly ownership cost | \$3,030 | \$2,010 | \$4,190 |
| Maximum monthly rent * | \$2,300 | \$1,730 | \$2,940 |

* The mid-point between assisted and affordable monthly ownership costs, based on Halton's definition of Affordable Housing.

2021 State of Housing

Housing Supply and Demand Model



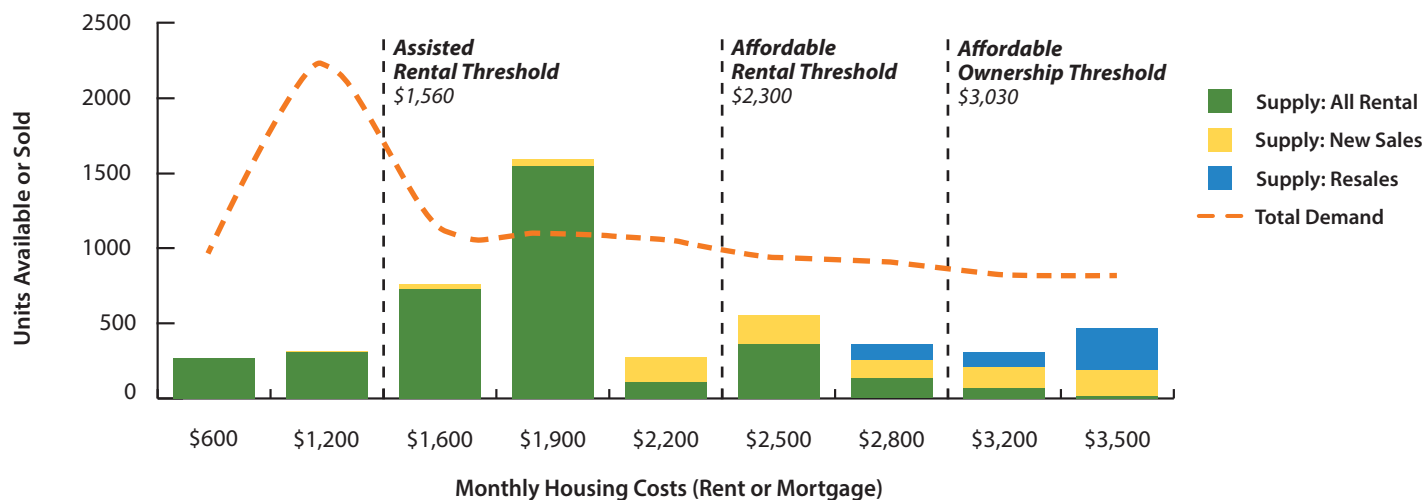
Based on analysis of household income profiles, housing cost thresholds, unit sales, re-sales and rental turnovers, the Housing Model generates a snapshot of supply-demand variances across the housing continuum.

The figure below provides a visualized analysis of the housing supply and demand. It shows the distribution of new sales, re-sales and rental turnovers by price point across the continuum (i.e., the actual housing supply) and compares it with the income distribution of Halton-based households (the modelled

housing demand). Differences between the two are used to quantify potential supply-demand variances by housing segment (typically indicating shortfalls in the assisted and affordable segments).

It should be noted that this diagram is a snapshot in time of the assisted and affordable housing gap, and is influenced by market trends, pace of economic growth and the health of the economy.

Housing Supply and Demand Distribution, 2021



Halton's Housing Model

Assisted and Affordable Shortfalls

The graph below provides a multi-year indication of the shortfall of assisted and market affordable housing as a percentage of the 2021 supply by year.

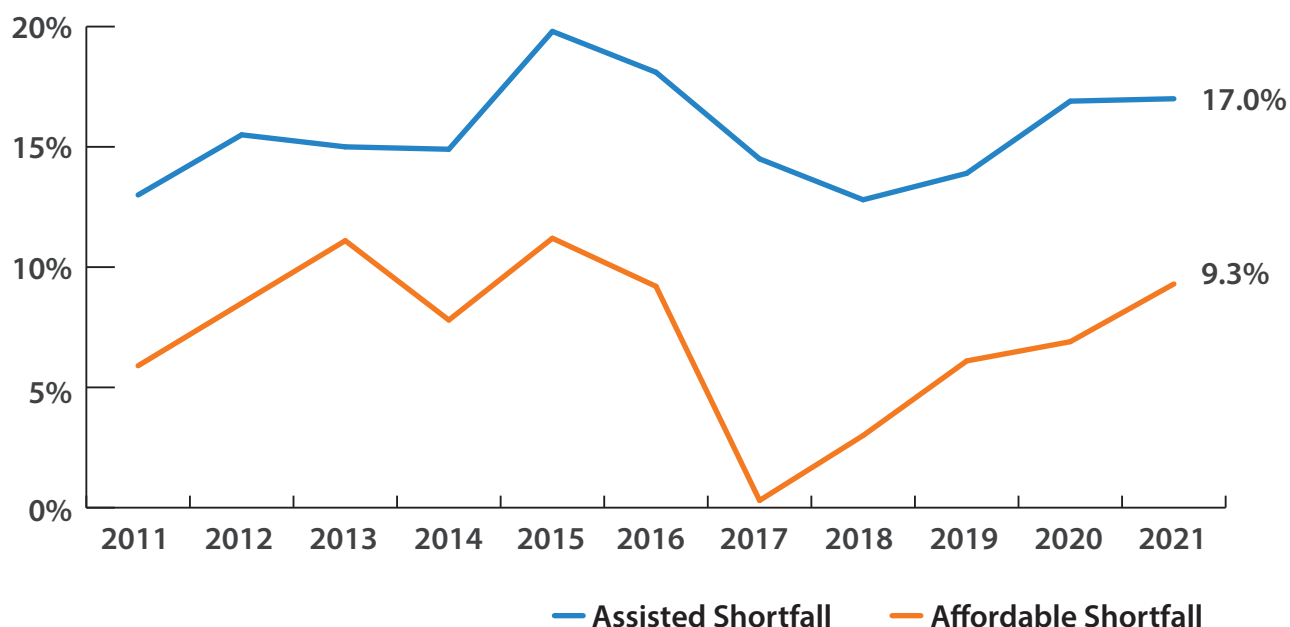
In 2021 there was an overall increase in housing completions (18.7 per cent from 2020) and increase in number of affordable new unit sales (increase by 8.9 per cent from 2020). Despite the increase in new affordable units, resale home prices outpaced household income and overall shortfall of affordable units has continued to trend upward from 6.9 per cent in 2020 to 9.3 per cent in 2021.

Although the assisted shortfall increased slightly by 0.1 per cent from 2020 to 17.0% in 2021, ongoing Regional initiatives to increase the number of housing opportunities are significant and have helped to prevent the shortfall from widening. Investments from senior levels of government are providing an opportunity to curb the trend line of assisted shortfall.

Key factors influencing these trend lines:

- 2016 Census data indicated that household incomes were higher than previously assumed, resulting in a reduction in the gaps;
- resale home prices outpaced household income;
- growth management policy resulted in a steady increase of higher density housing completions and sales, generally improving affordability (as explained in more detail in the next sections of this report);
- associated with this, the supply of moderately affordable condominium rental housing has increased; and
- almost no new purpose built rental housing has been built in recent years.

Assisted and Affordable Shortfalls (Supply vs. Demand), 2011-2021

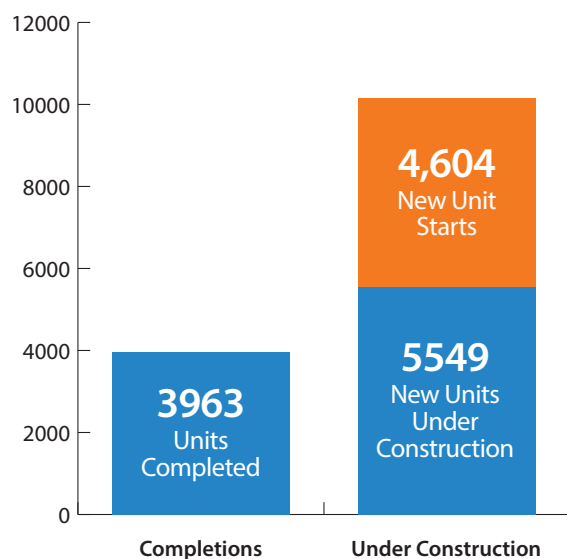


New Housing Development

New Housing Development

In 2021, there were a total of 3,963 new housing unit completions in Halton, an increase from 3,338 in 2020 (up by 18.7 per cent). There were 5,549 new housing units under construction, an increase from 4,941 in 2020 (up by 12.3 per cent) with an additional 4,604 new housing unit starts, an increase from 4,238 in 2020 (up by 8.6 per cent).

New Housing Development, 2021



Source: CMHC Starts and Completions Survey 2021

Regional Housing Mix Target

The Housing Mix Target in the Regional Official Plan calls for at least 50 per cent of new housing units produced annually in Halton to be in the form of townhouses or multi-storey buildings (higher density housings). Provision of higher density housing provides the best opportunity to encourage more market affordable housing in Halton.

In 2021, townhouse and apartment units accounted for 62.7 per cent of housing completions in Halton. For the 11th consecutive year, the 50 per cent Housing Mix Target was achieved.

Regional Housing Mix Target, 2021

62.7% Achieved



50% Housing Mix Target

This section of the report provides an overview of the types of housing being supplied in the regional and local municipal housing markets. The State of Housing report reviews new housing completions, under construction, and starts on an annual basis.

2021 New Housing Highlights

| | 2020 | 2021 | Change |
|---|-------|-------|--------|
| Total new housing completions | 3,338 | 3,963 | 18.7% |
| Total new housing under construction | 4,941 | 5,549 | 12.3% |
| Total new housing starts | 4,238 | 4,604 | 8.6% |



New Housing Development

New Housing Completions by Type & Municipality, 2021

| | Halton Region | % | Burlington | Halton Hills | Milton | Oakville |
|-----------------------|---------------|-------|------------|--------------|--------|----------|
| Apartment | 1,521 | 38.4% | 503 | 0 | 266 | 752 |
| Townhouse | 964 | 24.3% | 104 | 14 | 463 | 393 |
| Semi-detached | 134 | 3.4% | 50 | 28 | 54 | 2 |
| Single | 1,344 | 33.9% | 90 | 121 | 446 | 687 |
| Total units | 3,963 | | 747 | 163 | 1,229 | 1,824 |
| Local municipal share | | | 18.8% | 4.1% | 31.0% | 46.0% |

Source: CMHC Starts and Completions Survey 2021

Key trends:

- In 2021, there were 3,963 new housing completions, a 18.7 per cent increase compared to 3,338 in 2020.
- Of the new housing completions, 62.7 per cent were higher density units (townhouse and apartments). The remaining 37.3 per cent were single and semi-detached units.
- Oakville had the highest share of new housing completions in Halton at 46 per cent, followed by Milton at 31 per cent. Burlington and Halton Hills had shares of 18.8 per cent and 4.1 per cent, respectively.

New Housing Under Construction by Type & Municipality, 2021

| | Halton Region | % | Burlington | Halton Hills | Milton | Oakville |
|-----------------------|---------------|-------|------------|--------------|--------|----------|
| Apartment | 3,503 | 63.1% | 907 | 185 | 210 | 2,201 |
| Townhouse | 654 | 11.8% | 96 | 28 | 320 | 210 |
| Semi-detached | 138 | 2.5% | 12 | 36 | 88 | 2 |
| Single | 1,254 | 22.6% | 73 | 176 | 225 | 780 |
| Total units | 5,549 | | 1,088 | 425 | 843 | 3,193 |
| Local municipal share | | | 19.6% | 7.7% | 15.2% | 57.5% |

Source: CMHC Starts and Completions Survey 2021

Key trends:

- In 2021, there were 5,549 housing under construction, a 12.3 per cent increase compared to 4,941 in 2020.
- Of the housing under construction, 74.9 per cent were higher density units (townhouse and apartments). The remaining 25.1 per cent were single and semi-detached units.
- Oakville had the highest share of housing under construction in Halton at 57.5 per cent, followed by Burlington at 19.6 per cent. Milton and Halton Hills had shares of 15.2 per cent and 7.7 per cent, respectively.

New Housing Starts by Type & Municipality, 2021

| | Halton Region | % | Burlington | Halton Hills | Milton | Oakville |
|-----------------------|---------------|-------|------------|--------------|--------|----------|
| Apartment | 2,237 | 48.6% | 404 | 0 | 132 | 1,701 |
| Townhouse | 608 | 13.2% | 70 | 16 | 339 | 183 |
| Semi-detached | 130 | 2.8% | 0 | 48 | 80 | 2 |
| Single | 1,629 | 35.4% | 73 | 171 | 522 | 863 |
| Total units | 4,604 | | 547 | 235 | 1,073 | 2,749 |
| Local municipal share | | | 11.9% | 5.1% | 23.3% | 59.7% |

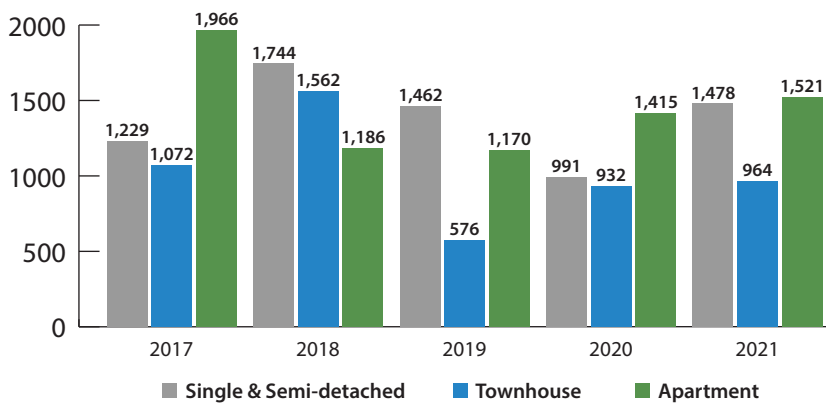
Source: CMHC Starts and Completions Survey 2021

Key trends:

- In 2021, there were 4,604 new housing starts in Halton, a 8.6 per cent increase compared to 4,238 in 2020.
- Of the new housing starts in 2021, 61.8 per cent were higher density units (townhouses and apartments). The remaining 38.2 per cent were single and semi-detached units.
- Similar to trends observed in housing under construction, Oakville had the highest share of new housing starts in Halton at 59.7 per cent, followed by Milton at 23.3 per cent. Burlington and Halton Hills had shares of 11.9 per cent and 5.1 per cent, respectively.

New Housing Development

Five-Year Trends: New Housing Completions

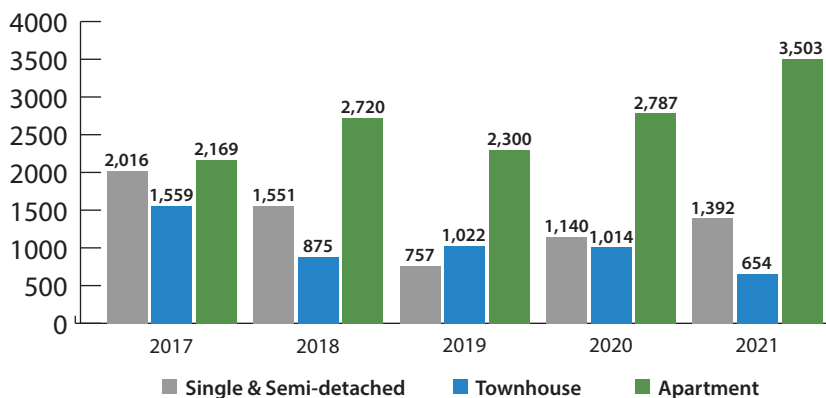


Source: CMHC Starts and Completions Survey 2017-2021

Key trends:

- Over the last five-year period, between 2017 and 2021, the annual average completion of single & semi-detached units were 1,381 units, townhouse unit completions were an average of 1,021 units per year, and apartment unit completions were 1,452 units per year.

Five-Year Trends: New Housing Under Construction

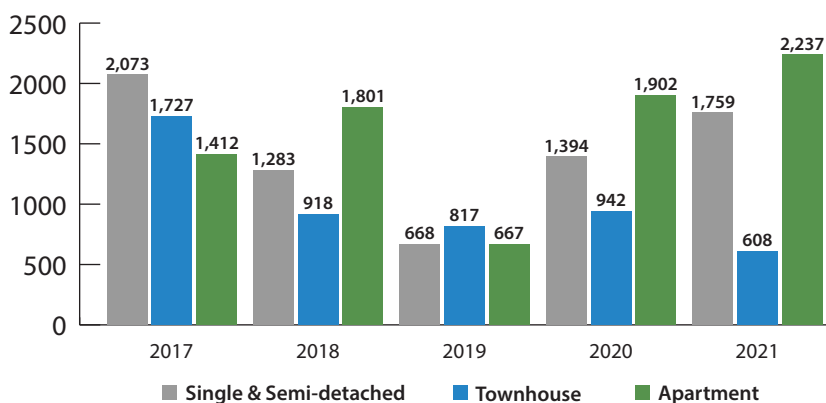


Source: CMHC Starts and Completions Survey 2017-2021

Key trends:

- Over the last five-year period, there were much more apartment units under construction at an average of 2,696 units per year compared to an average of 1,371 single & semi-detached units and an average of 1,025 townhouse units.

Five-Year Trends: New Housing Starts



Source: CMHC Starts and Completions Survey 2017-2021

Key trends:

- Over the last five-year period, new housing starts for single & semi-detached units have gradually declined until 2020 where new housing starts began to increase. New housing starts for townhouse units have gradually declined over the last five years, whereas new apartment unit starts have gradually increased to its all-time high of 2,237 unit starts in 2021.

New Housing Development

Housing Completions by Municipality

City of Burlington

Annual Housing Completions by Type, 2017 - 2021

| | 2017 | 2018 | 2019 | 2020 | 2021 |
|--------------------------|------|------|------|------|------|
| Apartment | 515 | 264 | 779 | 379 | 503 |
| Townhouse | 13 | 0 | 11 | 76 | 104 |
| Single & Semi | 66 | 159 | 130 | 55 | 140 |
| Total Units | 594 | 423 | 920 | 510 | 747 |

Source: CMHC Starts and Completions Survey 2017-2021

Key trends in Burlington:

- In 2021, 81.3 per cent (607 units) of housing completions in Burlington were higher density units (townhouse and apartments).
- Total housing completions in Burlington increased by 46.5 per cent to 747 units in 2021 from 510 units in 2020.
- Between 2017 and 2021, Burlington accounted for 16.6 per cent of Halton's total housing completions (3,194 total units).

Town of Halton Hills

Annual Housing Completions by Type, 2017 - 2021

| | 2017 | 2018 | 2019 | 2020 | 2021 |
|--------------------------|------|------|------|------|------|
| Apartment | 56 | 0 | 0 | 0 | 0 |
| Townhouse | 75 | 0 | 0 | 8 | 14 |
| Single & Semi | 77 | 160 | 164 | 23 | 149 |
| Total Units | 208 | 160 | 164 | 31 | 163 |

Source: CMHC Starts and Completions Survey 2017-2021

Key trends in Halton Hills:

- In 2021, total housing completions in Halton Hills increased to 163 units from 31 units in 2020, an increase of 425.9 per cent.
- Since 2018, there has been no apartment unit completions in Halton Hills.
- Between 2017 and 2021, Halton Hills accounted for 3.8 per cent of Halton's total housing completions (726 total units).

Town of Milton

Annual Housing Completions by Type, 2017 - 2021

| | 2017 | 2018 | 2019 | 2020 | 2021 |
|--------------------------|-------|-------|-------|------|-------|
| Apartment | 321 | 75 | 382 | 213 | 266 |
| Townhouse | 313 | 765 | 341 | 348 | 463 |
| Single & Semi | 536 | 601 | 709 | 338 | 500 |
| Total Units | 1,170 | 1,441 | 1,432 | 899 | 1,229 |

Source: CMHC Starts and Completions Survey 2017-2021

Key trends in Milton:

- In 2021, 59.3 per cent (729 units) of housing completions in Milton were higher density units (townhouse and apartments).
- Total housing completions in Milton increased to 1229 units in 2021 from 899 in 2020, an increase of 36.7 per cent.
- Between 2017 and 2021, Milton accounted for 32 per cent of Halton's total housing completions (6,171 total units).

Town of Oakville

Annual Housing Completions by Type, 2017 - 2021

| | 2017 | 2018 | 2019 | 2020 | 2021 |
|--------------------------|-------|-------|------|-------|-------|
| Apartment | 1,074 | 847 | 9 | 823 | 752 |
| Townhouse | 671 | 797 | 224 | 500 | 383 |
| Single & Semi | 550 | 824 | 459 | 575 | 689 |
| Total Units | 2,295 | 2,468 | 692 | 1,898 | 1,824 |

Source: CMHC Starts and Completions Survey 2017-2021

Key trends in Oakville:

- In 2021, 62.2 per cent (1,135 units) of housing completions in Oakville were higher density units (townhouse and apartments).
- In 2021, total housing completions in Oakville declined to 1,824 units, a decrease of 3.9 per cent.
- Between 2017 and 2021, Oakville accounted for 47.6 per cent of Halton's total housing completions (9,177 total units).

Housing Costs & Affordability

This section of the report provides an overview of the new and resale of housing units to assess how well the market is meeting the housing needs of Halton residents and those looking to live in the region.

2021 New Housing Highlights

| | 2020 | 2021 | Change |
|---|--------|--------|--------|
| New Sales | 2,347 | 2,295 | -2.2% |
| Resale | 10,565 | 12,710 | 20.3% |
| All Sales | 12,912 | 15,005 | 16.2% |
| Affordable New Sales¹ | 585 | 637 | 8.9% |
| New Assisted Program Units² | 25 | 63 | 152% |

¹ This data is based on the closing date, when ownership of the property is transferred to the buyer.

² New assisted program units are captured at the time of funding commitment.

Source: Calculated from MPAC sales data, 2020-2021



New Sales and Resales of Housing

In 2021, there were 15,005 new sales and resales of housing units in Halton. This represents a 16.2 per cent increase compared to 12,912 new sales and resales in 2020. The table below provides a summary of new sales and resales of housing units in 2021 by unit type.

New and Resales of Housing by Type, 2021

| | New | | Resale | | Total |
|---------------------------|-----------|-------|-------------|-------|-------------|
| Apartment | 885 | 38.6% | 1,784 | 14.0% | 2,669 |
| Townhouse | 622 | 27.1% | 3,475 | 27.3% | 4,097 |
| Semi-detached | 62 | 2.7% | 808 | 6.4% | 870 |
| Single | 726 | 31.6% | 6,643 | 52.3% | 7,369 |
| All Sales | 2,295 | 15.3% | 12,710 | 84.7% | 15,005 |
| Average Sale Price | \$756,315 | | \$1,149,263 | | \$1,089,162 |

Source: Calculated from MPAC sales data, 2021

Regional Housing Affordability Target

Halton Region's **Housing Affordability Target** calls for at least 30 per cent of new housing units produced annually in Halton to be at or below the affordable threshold.

In 2021, 30.5 per cent (700 units) of new housing unit sales were under the Affordable Maximum Purchase Price of \$480,700 in 2021. The affordable new sales include 637 units from market sale and 63 units from the Region's assisted housing program.

Regional Housing Affordability Target Achievement, 2021

30.5% Achieved



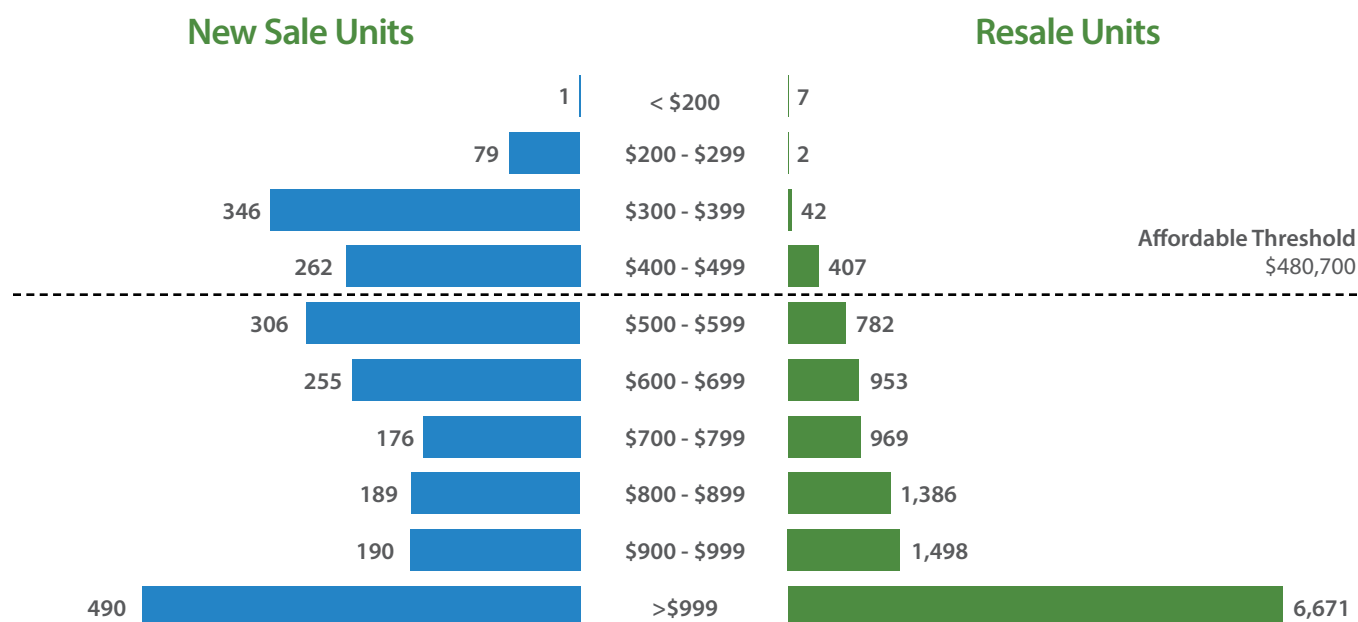
30% Housing Affordability Target

Housing Costs & Affordability

Number of New and Resale by Price Range

An adequate supply of new market affordable housing units is an important element in Halton's vision for sustainable growth as set out in the Regional Official Plan. In 2021 there were 2,295 new units sold (a decrease by 2.3 per cent from 2,295 in 2020) and 12,710 resales (an increase by 20.3 per cent from 10,565 in 2020). The graph below provides a distribution of the new and resale units by price range.

It should be noted that Halton Region and the Local Municipalities do not have the ability to influence market resale prices. Units that are captured as affordable new sales (based on the Halton Housing Model) may be resold beyond the affordable threshold in later years, as these transactions take place in the open market.



Source: Calculated from MPAC sales data, 2021

New Market Affordable Housing Sales in Halton by Type

| | <= \$480,700 (Affordable Threshold) | | > \$480,700 | |
|----------------------|--|-------|------------------|-------|
| | Units | % | Units | % |
| Apartment | 563 | 88.4% | 322 | 19.4% |
| Townhouse | 73 | 11.5% | 549 | 33.1% |
| Semi-detached | 0 | 0.0% | 62 | 3.7% |
| Single | 1 | 0.2% | 725 | 43.7% |
| All Units | 637 | | 1,658 | |
| Average Price | \$369,808 | | \$904,811 | |

Source: Calculated from MPAC sales data, 2021

Key trends:

- All but one new market affordable housing sales were comprised of townhouses and apartments, demonstrating the link between higher density housing and affordability.
- Of the 2,295 new units sold in 2021, 637 were sold at or below the affordable threshold (\$480,700) accounting for 28.8 per cent of new sales.
- The average price of new units sold at or below the affordable threshold was \$369,808, up 9.6 per cent increase from \$337,481 in 2020.

Housing Costs & Affordability

New Market Affordable Housing Sales by Municipality

City of Burlington

| | <= \$480,700 (Affordable Threshold) | | > \$480,700 | |
|---------------|--|-------|-------------|-------|
| | Units | % | Units | % |
| All Units | 212 | 40.6% | 310 | 59.4% |
| Average Price | \$361,961 | | \$897,313 | |

Source: Calculated from MPAC sales data, 2021

Key trends:

- In 2021, new sales in Burlington accounted for 22.7 per cent of total new sales in Halton.
- 40.6 per cent of new sales in Burlington were at or below the affordable threshold with an average price of \$361,961.

Town of Halton Hills

| | <= \$480,700 (Affordable Threshold) | | > \$480,700 | |
|---------------|--|------|-------------|------|
| | Units | % | Units | % |
| All Units | 0 | 0.0% | 91 | 100% |
| Average Price | N/A | | \$951,415 | |

Source: Calculated from MPAC sales data, 2021

Key trends:

- In 2021, new sales in Halton Hills accounted for 4.0 per cent of total new sales in Halton.
- No new sales in Halton Hills were at or below the affordable threshold.

Town of Milton

| | <= \$480,700 (Affordable Threshold) | | > \$480,700 | |
|---------------|--|-------|-------------|-------|
| | Units | % | Units | % |
| All Units | 240 | 20.9% | 907 | 79.1% |
| Average Price | \$376,791 | | \$771,107 | |

Source: Calculated from MPAC sales data, 2021

Key trends:

- In 2021, new sales in Milton accounted for 50.0 per cent of total new sales in Halton.
- 20.9 per cent of new sales in Milton were at or below the affordable threshold with an average price of \$376,791.

Town of Oakville

| | <= \$480,700 (Affordable Threshold) | | > \$480,700 | |
|---------------|--|-------|-------------|-------|
| | Units | % | Units | % |
| All Units | 185 | 34.6% | 350 | 65.4% |
| Average Price | \$369,741 | | \$1,245,817 | |

Source: Calculated from MPAC sales data, 2021

Key trends:

- In 2021, new sales in Oakville accounted for 23.3 per cent of total new sales in Halton.
- 34.6 per cent of new sales in Oakville were at or below the affordable threshold with an average price of \$369,741.

Rental Housing

This section of the report provides an overview of the average rent, vacancy rates, and total number of rental units in Halton and the local municipalities.

2021 Rental Housing Highlights

| | 2020 | 2021 | Change |
|--|----------------|----------------|--------------|
| Average Rent (Private Townhouse and Apartment) | \$1,583 | \$1,600 | 1.1% |
| Bachelor | \$1,164 | \$1,204 | 3.4% |
| 1 Bedroom | \$1,431 | \$1,430 | -0.1% |
| 2 Bedroom | \$1,636 | \$1,658 | 1.3% |
| 3+ Bedroom | \$1,746 | \$1,775 | 1.7% |
| Total # of Units (Private Townhouse and Apartment) | 16,830 | 16,820 | -0.1% |
| Bachelor | 310 | 312 | 0.6% |
| 1 Bedroom | 4,969 | 5,064 | 1.9% |
| 2 Bedroom | 9,394 | 9,292 | -1.1% |
| 3+ Bedroom | 2,157 | 2,152 | -0.2% |

Source: CMHC Rental Market Report, 2020-2021



Rental Unit Stock

Rental housing is an important form of affordable housing for many of Halton's residents.

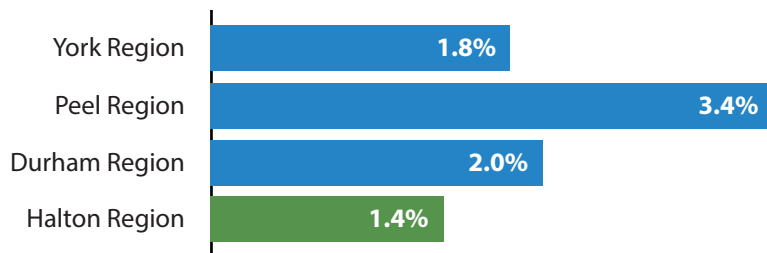
In 2021, there were a total of 16,820 private townhouse and apartment rental units in Halton. The number of rental units continue to remain stagnant with a slight decrease from 16,830 units in 2020.

Rental Market Vacancy Rate

Vacancy rates are an important measure to assess the health of the rental market. According to Canada Mortgage Housing Corporation (CMHC), a vacancy rate of at least three per cent (three for every one hundred units) is considered necessary for adequate competition and housing options.

Halton Region's overall vacancy rate for private townhouse and apartments was 1.4 per cent in 2021, down from 2.3 per cent in 2020. The low vacancy rate suggests people continue to experience challenges finding a suitable unit when searching for a rental housing in Halton.

Rental Market Vacancy Rates, 2021



Source: CMHC Rental Market Report 2021

Average Monthly Rent

Average monthly rent (AMR) is another means to measure the health of the rental market.

In 2021, the AMR of private townhouse and apartments increased to \$1,600 from \$1,583 in 2020, an increase by 1.1 per cent. When compared to other regional municipalities in the Greater Toronto Area, Halton's monthly rent continues to be the highest.

Average Monthly Rents (AMR), 2021



Source: CMHC Rental Market Report 2021

Rental Housing

Vacancy Rates by Unit Size (Private Townhouses & Apartments), 2017 - 2021

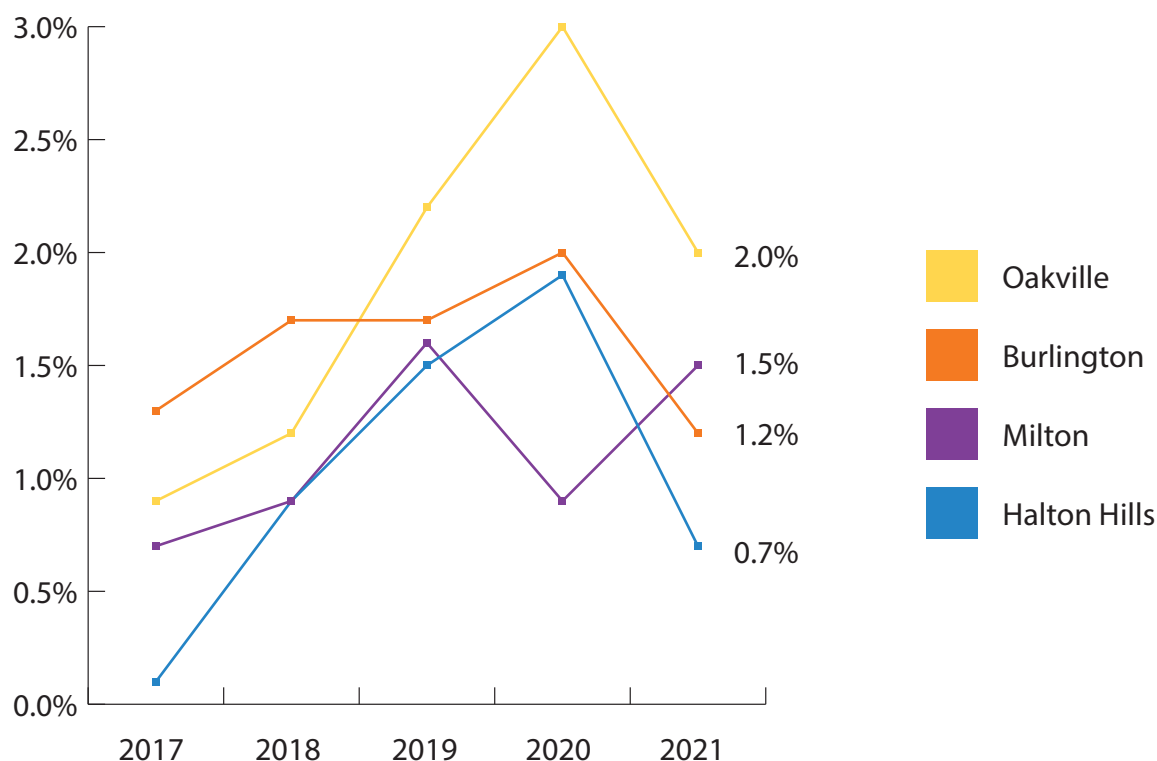
| Unit Type | 2017 | 2018 | 2019 | 2020 | 2021 |
|---------------------|------|------|------|------|------|
| Bachelor | 1.5% | 2.8% | 1.9% | 4.4% | 3.5% |
| 1 Bedroom | 1.0% | 1.1% | 1.5% | 2.0% | 1.6% |
| 2 Bedroom | 1.3% | 1.7% | 2.2% | 2.6% | 1.4% |
| 3+ Bedroom | 0.7% | 1.4% | 1.1% | 1.2% | 1.2% |
| Overall Rate | 1.1% | 1.5% | 1.8% | 2.3% | 1.4% |

Source: CMHC Rental Market Report, 2017-2021

Key trends:

- The overall vacancy rate decreased to 1.4 per cent in 2021, from 2.3 per cent in 2020. Vacancy rates for all unit types decreased in 2021, except for three plus bedrooms which stayed the same from 2020.
- In 2021, three plus bedroom units had the lowest vacancy rate at 1.2 per cent, followed by two bedroom units at 1.4 per cent. Bachelor units and one bedroom units had vacancy rates of 3.5 per cent and 1.6 per cent, respectively.

Vacancy Rates by Municipality (Private Townhouses & Apartments), 2017 - 2021



Source: CMHC Rental Market Report, 2017-2021

Key trends:

- In 2021, the vacancy rate in Halton Hills was the lowest at 0.7 per cent, a decrease from 1.9 per cent in 2020.
- Burlington's vacancy rate decreased to 1.2 per cent in 2021 from 2.0 per cent in 2020.
- The vacancy rate in Milton was 1.5 per cent, an increase from 0.9 per cent in 2020.
- Oakville had the highest vacancy rate at 2.0 per cent in 2021, a decrease from 3.0 per cent in 2020.

Rental Housing

Average Rent & Units by Unit Size, 2017 - 2021

The average rent of private townhouses and apartments for all unit sizes have steadily increased over the past five years. In 2021, the average rent for all unit types in Halton increased to \$1,600 from \$1,583 in 2020, an increase of 1.1 per cent.

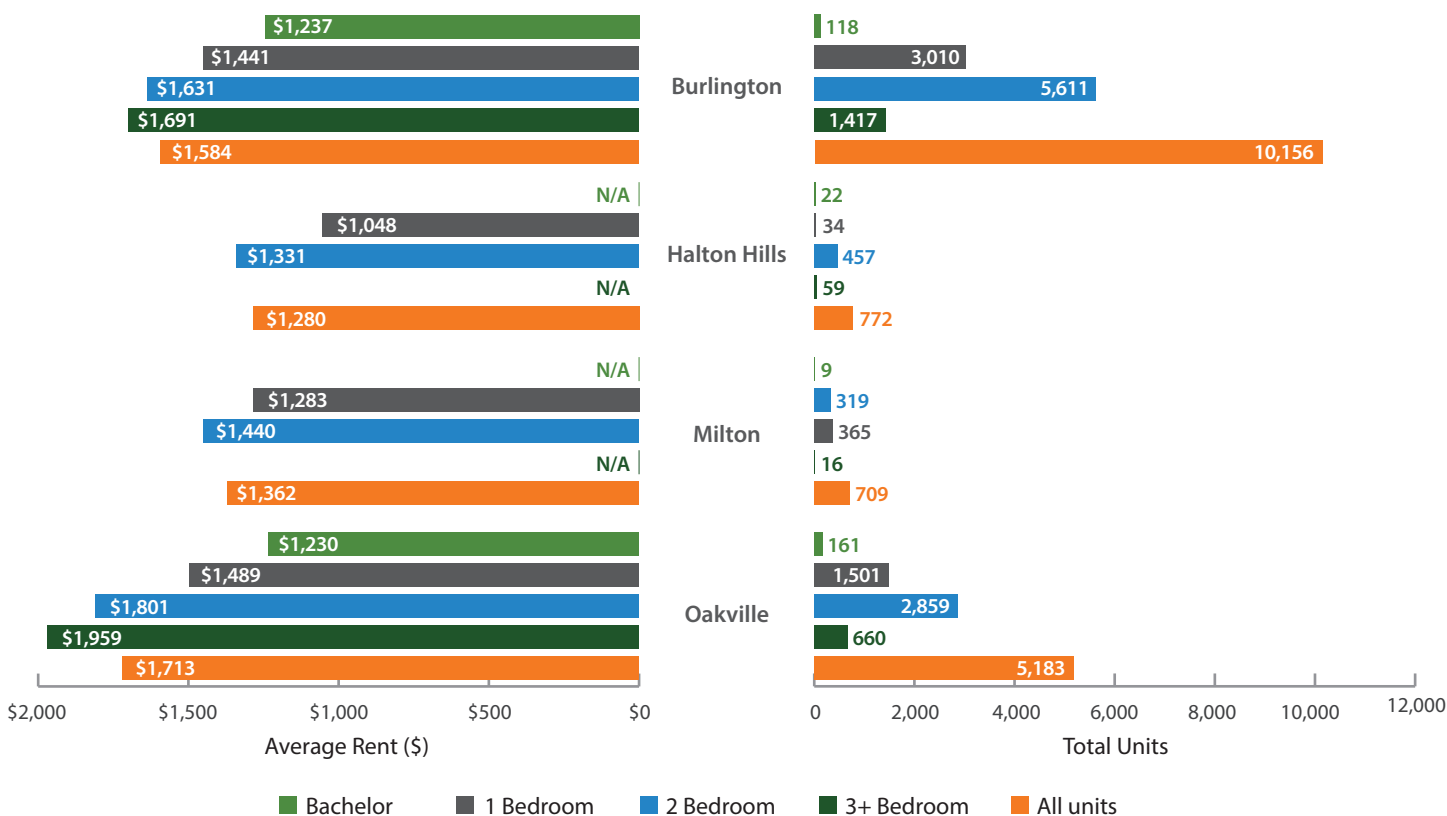
By unit size, the average rent for bachelor units had the highest increase at 3.4 per cent from 2020. The average rent for one bedroom units had remained relatively stagnant with a decrease of 0.1 per cent from 2020.

| | 2017 | | 2018 | | 2019 | | 2020 | | 2021 | |
|--------------|----------------|---------------|----------------|---------------|----------------|---------------|----------------|---------------|----------------|---------------|
| | Average Rent | Total Units | Average Rent | Total Units | Average Rent | Total Units | Average Rent | Total Units | Average Rent | Total Units |
| Bachelor | \$916 | 301 | \$1,179 | 298 | \$1,074 | 311 | \$1,164 | 310 | \$1,204 | 312 |
| 1 Bedroom | \$1,222 | 4,891 | \$1,268 | 4,884 | \$1,333 | 4,945 | \$1,431 | 4,969 | \$1,430 | 5,064 |
| 2 Bedroom | \$1,374 | 8,891 | \$1,416 | 8,861 | \$1,517 | 9,300 | \$1,636 | 9,394 | \$1,658 | 9,292 |
| 3 Bedroom+ | \$1,612 | 2,209 | \$1,585 | 2,217 | \$1,697 | 2,137 | \$1,746 | 2,157 | \$1,775 | 2,152 |
| Total | \$1,356 | 16,292 | \$1,392 | 16,260 | \$1,479 | 16,693 | \$1,583 | 16,830 | \$1,600 | 16,820 |

Source: CMHC Rental Market Report, 2017-2021

Average Rent & Units by Unit Size (Private Townhouses & Apartments) by Municipality, 2021

The graph below provides a summary of average rent & units by unit size and municipality.



Source: CMHC Rental Market Report, 2021

Assisted Housing

Assisted Housing in Halton

Halton Region plays a direct role in the assisted and special needs housing area, recognizing that people move back and forth across the housing continuum, depending on their personal circumstances.

Assisted housing plays an important role in helping low and moderate income individuals and families obtain housing that is stable and secure. Assisted housing mostly relates to rental accommodation operated by non-profit and co-operative housing providers (community housing).

The assistance may come in the form of capital programs, operating subsidy to housing providers and rental subsidy to eligible households.

Community Housing Administered by Halton

Halton Region administers 3,902 community housing units. Most of these units are governed under social housing legislation (3,600 or 92 per cent). The 3,902 units are located in 58 housing communities, owned and operated by 25 non-profit co-operative and private sector housing providers, including Halton Community Housing Corporation (HCHC).

Halton Region provides rent-geared-to-income (RGI) assistance to 3,110 households living in these communities. RGI recipients are placed from the Halton Access to Community Housing (HATCH) waitlist.

Community Housing Financially Supported by Halton

With the modernization of the community housing sector in Ontario, and new provincial legislation recently introduced via the *Protecting Tenants and Strengthening Community Housing Act, 2020*, we will begin to see community housing providers meeting their mortgage obligations. Halton Region will continue to enter into bi-lateral agreements with these providers to sustain the stock of existing government assisted housing and create additional housing options for Halton residents.

Preserving and modernizing the existing stock of community housing is one of three long-range policy objectives of Halton's Comprehensive Housing Strategy. As community housing providers reach the end of their legislated obligations, Halton has an interest in ensuring that assisted housing stock remains available to current and future Halton residents in need. The Region will formalize new partnership arrangements with community housing providers. Progress has already been made. Halton has been successful in negotiating a renewed relationship with three Halton community housing providers who reached the end of their legislated obligations. A total of 89 assisted housing units have been retained to-date.

This section focuses on the non-market side of the housing continuum where government-funded programs and services are needed to enhance affordability for Halton's residents.

2021 Assisted Housing Highlights

| | 2021 |
|---|-------|
| Total new assisted housing opportunities since 2014 | 1,005 |
| Total community rental housing units | 3,902 |
| Total rent-geared-to-income (RGI) assistance | 3,110 |
| Halton Housing Help housing crisis resolutions | 2,131 |
| Special needs housing administered (Wheelchair accessible units) | 232 |



Assisted Housing

New Assisted Housing Opportunities Since 2014

Halton Region's Comprehensive Housing Strategy Update - 2014-2024 (CHS) sets a 10-year target to create 550 to 900 new housing opportunities (new units and rent supplements / housing allowances). More than \$100 million in Regional multi-year funding is projected to enable the creation of 550 housing opportunities, with the understanding that the upper target of 900 can only be achieved or exceeded with additional funding from federal and provincial governments.

A five-year review and update of the CHS was approved by Regional Council in 2019. The updated strategy responds to recent Provincial policy changes under the *Housing Services Act, 2011* and recognizes Halton Regions' many achievements during the first five year period of the CHS. It also establishes new actions that the Region will advance over the next five-year period to meet the housing needs of our growing Halton population.

The CHS five-year review also reconfirmed Halton Region's target of creating between 550 to 900 new government assisted housing opportunities over the 10-year life of the strategy.

As reflected in the graph below, Halton Region has created a total of 1,005 new housing opportunities as of year-end 2021, including:

- 257 new brick and mortar purpose built rental units;
- 700 additional rent supplements and portable housing allowances;
- 48 supportive housing units; and
- various emergency and transitional housing solutions.

Halton Region has been ambitious and opportunistic. This has culminated in the Region exceeding the 900 upper target of the CHS in 2020, four years ahead of schedule. Going forward,

the Region will continue to support the creation of additional assisted housing opportunities to ensure that Halton residents have access to housing options for all incomes and stages of life. The Region's commitment is unwavering.

Looking retroactively to when Halton Region first created its CHS in 2008, Halton Region has created 1,899 new housing opportunities to date and includes:

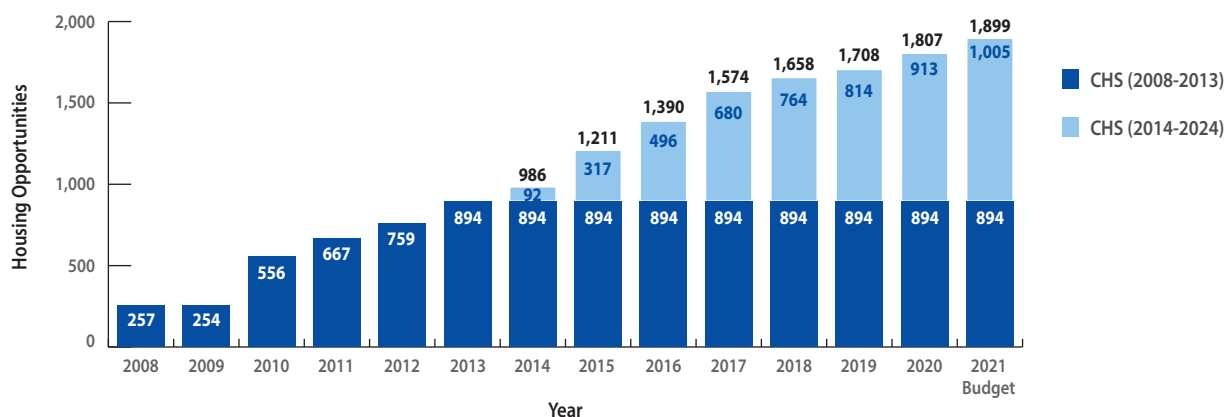
- 545 new brick and mortar purpose built rental units;
- over 1,300 rent supplements and portable housing allowances
- 48 supportive housing units; and
- various emergency and transitional housing solutions.

The Region will continue to build upon this record to serve our community.

Halton Region utilizes the following delivery methods for the creation of new housing opportunities under the CHS:

- A portfolio approach has been developed to meet the objective of providing purpose built rental and assisted units. This positions Halton to deliver over 600 purpose built rental and assisted units over the next 10 years and includes funding third party projects from our private and non-profit sector partners, development on Halton Region and HCHC owned properties. Partnering with the Federal and Provincial governments to fund these important projects will be key to success.
- The creation of new rent supplements through Halton Region's Halton Rental Assistance Program (HRAP). HRAP provides funding to Halton landlords to make units available with deep subsidies for vulnerable Halton residents.

New assisted housing opportunities in Halton (total cumulative)



Assisted Housing

Portable Housing Benefits

Portable Housing Benefits provide an income tested housing allowance directly to qualified Halton applicants on the HATCH waitlist and are a permanent and portable housing solution.

In 2021, 230 Halton families were supported with Portable Housing Benefits.

Rent Supplement

Halton Region operates various rent supplement programs in partnership with private-sector landlords. Under these programs, eligible households are sourced from the HATCH waitlist and receive rental assistance.

In 2021, Halton Region acquired an additional net new 15 rent supplement housing opportunities. The rent supplement total at the end of 2021 was 887, including 459 funded through the Halton Rental Assistance Program (HRAP). This program was created in 2012 and provides Halton Region with additional options to enhance the affordability of new housing initiatives.

Special Needs Housing

Special needs housing includes housing that is accessible for people living with physical disabilities and housing that is tied to the provision of personal supports (supportive housing).

In 2021, Halton Region administered 232 wheelchair accessible units (of which 214 can be accessed through the HATCH wait list).

Homelessness

The primary causes of homelessness and the need for emergency shelter relate to unaffordable rents, mental health and addiction issues, family breakdown and loss of employment. Halton Region operates and/or administers various support programs to proactively address these situations. Halton Region also continues to enumerate homelessness bi-annually in accordance with Provincial and Federal guidelines. In 2021, a minimum of 293 households were identified as experiencing homelessness on one night in Halton.

Homelessness Measures

| Emergency Shelter | | Halton Housing Help | |
|------------------------|-------|-------------------------------|-----|
| Households Served | 516 | Households Assisted | 996 |
| Dependents Served | 104 | Intensive Case Management | 375 |
| Households Housed | 224 | Housing First | |
| Households Diverted | 712 | Households Assisted | 25 |
| Housing Stability Fund | | Housing with Related Supports | |
| Households Assisted | 2,131 | Beds | 152 |

2021 Homelessness Initiatives and Achievements

| Initiative | 2021 Achievements |
|--------------------------------------|---|
| Emergency Shelter | 516 households and 104 dependents were served in shelter settings with 224 households being assisted to secure new permanent housing. An additional 712 households were diverted from emergency shelter and received intensive case management to stabilize their housing in the community. |
| Housing Stability Fund | 2,131 emergency housing situations were resolved through outreach and funding including rental deposits, rental arrears, utility cost arrears, eviction prevention, moving/ storage costs, and the provision of essential furniture/ beds. |
| Halton Housing Help | 996 clients were assisted with finding affordable rental housing in the private marketplace and an additional 375 clients received intensive customized supports. |
| Housing First | 25 chronically homeless households were assisted with the provision of permanent housing with intensive, wrap around individualized support services. |
| Housing with Related Supports | 152 subsidized beds across Halton were made available by the Region, operated by housing providers who provide supports to chronically homeless residents experiencing homelessness. |

Affordable Rent by Unit Type

Affordable rent thresholds per unit-type for Regional housing programs and initiatives for 2022 are based on CMHC's 2021 annual Rental Market Report. The appropriate CMHC market or sub-market boundary average market rent or median market rent figure for specific housing programs, initiatives and agreements will be determined by Halton's Chief Planning Official or the Director of Housing Services for the programs for which they are responsible. Affordable rent thresholds may be established at alternate levels as required by Federal/Provincial funding programs or as deemed appropriate by Halton's Chief Planning Official or the Director of Housing Services for the programs for which they are responsible.

Affordable rent thresholds per unit-type for 2023 will be based on CMHC's 2022 Rental Market Report or will be determined by Halton's Chief Planning Official or the Director of Housing Services for the programs for which they are responsible. Annual rent increases may be the lesser of the Provincial rent increase guideline or the corresponding figure for the specific agreement or program in the most recent State of Housing report.

City of Burlington

| | 100% AMR | 100% MMR | 90% AMR | 90% MMR | 80% AMR | 80% MMR | 70% AMR | 70% MMR | 60% AMR | 60% MMR | 50% AMR | 50% MMR |
|------------|----------|----------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Bachelor | 1,237 | 1,243 | 1,113 | 1,118 | 989 | 994 | 865 | 870 | 742 | 745 | 556 | 559 |
| 1 Bedroom | 1,441 | 1,455 | 1,296 | 1,309 | 1,152 | 1,164 | 1,008 | 1,018 | 864 | 873 | 648 | 654 |
| 2 Bedroom | 1,631 | 1,655 | 1,467 | 1,489 | 1,304 | 1,324 | 1,141 | 1,158 | 978 | 993 | 733 | 744 |
| 3 Bedroom+ | 1,691 | 1,643 | 1,521 | 1,478 | 1,352 | 1,314 | 1,183 | 1,150 | 1,014 | 985 | 760 | 739 |

Town of Halton Hills

| | 100% AMR | 100% MMR | 90% AMR | 90% MMR | 80% AMR | 80% MMR | 70% AMR | 70% MMR | 60% AMR | 60% MMR | 50% AMR | 50% MMR |
|------------|----------|----------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Bachelor | 844 | * | 759 | * | 675 | * | 590 | * | 506 | * | 422 | * |
| 1 Bedroom | 1,048 | 1,042 | 943 | 937 | 838 | 833 | 733 | 729 | 628 | 625 | 524 | 521 |
| 2 Bedroom | 1,331 | 1,255 | 1,197 | 1,129 | 1,064 | 1,004 | 931 | 878 | 798 | 753 | 665 | 627 |
| 3 Bedroom+ | 1,638 | 1,600 | 1,474 | 1,440 | 1,310 | 1,280 | 1,146 | 1,120 | 982 | 960 | 819 | 800 |

Town of Milton

| | 100% AMR | 100% MMR | 90% AMR | 90% MMR | 80% AMR | 80% MMR | 70% AMR | 70% MMR | 60% AMR | 60% MMR | 50% AMR | 50% MMR |
|------------|----------|----------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Bachelor | 844 | * | 759 | * | 675 | * | 590 | * | 506 | * | 422 | * |
| 1 Bedroom | 1,283 | 1,250 | 1,154 | 1,125 | 1,026 | 1,000 | 898 | 875 | 769 | 750 | 641 | 625 |
| 2 Bedroom | 1,440 | 1,436 | 1,296 | 1,292 | 1,152 | 1,148 | 1,008 | 1,005 | 864 | 861 | 720 | 718 |
| 3 Bedroom+ | 1,638 | 1,600 | 1,474 | 1,440 | 1,310 | 1,280 | 1,146 | 1,120 | 982 | 960 | 819 | 800 |

Affordable Rent by Unit Type

Town of Halton Hills/Milton

| | 100% AMR | 100% MMR | 90% AMR | 90% MMR | 80% AMR | 80% MMR | 70% AMR | 70% MMR | 60% AMR | 60% MMR | 50% AMR | 50% MMR |
|------------|-------------|-------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Bachelor | 844 | * | 759 | * | 675 | * | 590 | * | 506 | * | 422 | * |
| 1 Bedroom | 1,211 | 1,112 | 1,089 | 1,000 | 968 | 889 | 847 | 778 | 726 | 667 | 605 | 556 |
| 2 Bedroom | 1,385 | 1,330 | 1,246 | 1,197 | 1,108 | 1,064 | 969 | 931 | 831 | 798 | 692 | 665 |
| 3 Bedroom+ | 1,638 | 1,600 | 1,474 | 1,440 | 1,310 | 1,280 | 1,146 | 1,120 | 928 | 960 | 819 | 800 |

Town of Oakville

| | 100% AMR | 100% MMR | 90% AMR | 90% MMR | 80% AMR | 80% MMR | 70% AMR | 70% MMR | 60% AMR | 60% MMR | 50% AMR | 50% MMR |
|------------|-------------|-------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Bachelor | 1,230 | 1,250 | 1,107 | 1,125 | 984 | 1,000 | 861 | 875 | 738 | 750 | 556 | 562 |
| 1 Bedroom | 1,489 | 1,460 | 1,340 | 1,314 | 1,191 | 1,168 | 1,042 | 1,022 | 893 | 876 | 670 | 657 |
| 2 Bedroom | 1,801 | 1,777 | 1,620 | 1,599 | 1,440 | 1,421 | 1,260 | 1,243 | 1,080 | 1,066 | 810 | 799 |
| 3 Bedroom+ | 1,959 | 1,900 | 1,763 | 1,710 | 1,567 | 1,520 | 1,371 | 1,330 | 1,175 | 1,140 | 881 | 855 |

Halton Region

| | 100% AMR | 100% MMR | 90% AMR | 90% MMR | 80% AMR | 80% MMR | 70% AMR | 70% MMR | 60% AMR | 60% MMR | 50% AMR | 50% MMR |
|------------|-------------|-------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Bachelor | 1,204 | * | 1,083 | * | 963 | * | 842 | * | 722 | * | 541 | * |
| 1 Bedroom | 1,430 | * | 1,287 | * | 1,144 | * | 1,001 | * | 858 | * | 643 | * |
| 2 Bedroom | 1,658 | * | 1,492 | * | 1,326 | * | 1,160 | * | 994 | * | 746 | * |
| 3 Bedroom+ | 1,775 | * | 1,597 | * | 1,420 | * | 1,242 | * | 1,065 | * | 798 | * |



LPS-2223493

halton.ca  311





VIA EMAIL

August 17, 2022

Legislative & Planning Services
Department
Office of the Regional Clerk
1151 Bronte Road
Oakville ON L6M 3L1

Chief Steven Tanner, Halton Police Service
Jeff Booker, Manager, Highway Engineering Services, 407ETR
Kevin Arjoon, City Clerk, City of Burlington
Meaghen Reid, Town Clerk, Town of Milton
Vicki Tytaneck, Town Clerk, Town of Oakville
Valerie Petryniak, Town Clerk, Town of Halton Hills

Please be advised that at its meeting held Wednesday, July 13, 2022, the Council of the Regional Municipality of Halton adopted the following resolution:

RESOLUTION: PW-29-22 - 2021 Transportation Progress Report

1. THAT Report No. PW-29-22 re: "2021 Transportation Progress Report" be received for information.
2. THAT the Regional Clerk forward a copy of Report No. PW-29-22 to the City of Burlington, the Town of Halton Hills, the Town of Milton, the Town of Oakville, the Halton Regional Police Service, the Ministry of Transportation, and the 407 Electronic Toll Road for their information.

Included please find a copy of Report No. PW-29-22 for your information.

If you have any questions please contact me at the e-mail address below.

Sincerely,

A handwritten signature in blue ink, appearing to read "G. Milne", written over a light blue circular stamp.

Graham Milne
Regional Clerk
graham.milne@halton.ca

Regional Municipality of Halton

HEAD OFFICE: 1151 Bronte Rd, Oakville, ON L6M 3L1
905-825-6000 | Toll free: 1-866-442-5866

| | |
|------------|--|
| Report To: | Regional Chair and Members of Regional Council |
| From: | Andrew Farr, Commissioner, Public Works |
| Date: | July 13, 2022 |
| Report No: | PW-29-22 |
| Re: | 2021 Transportation Progress Report |

RECOMMENDATION

1. THAT Report No. PW-29-22 re: "2021 Transportation Progress Report" be received for information.
2. THAT the Regional Clerk forward a copy of Report No. PW-29-22 to the City of Burlington, the Town of Halton Hills, the Town of Milton, the Town of Oakville, the Halton Regional Police Service, the Ministry of Transportation, and the 407 Electronic Toll Road for their information.

REPORT

Executive Summary

- The Regional Official Plan requires staff to report annually to Regional Council on the overall performance of Halton Region's transportation system.
- The 2021 Transportation Progress Report summarizes Halton Region's activities in the operation and maintenance of Halton Region's transportation system.
- Overall, the Regional transportation system is operating well with the Regional Roads offering a smooth, convenient, safe and efficient mode of travel.

Background

A variety of programs are undertaken annually to ensure that the Regional transportation system is operating in the safest and most efficient way possible and that the service life of roadway infrastructure is optimized through maintenance and capital improvement programs. Consistent with these objectives, the Regional Official Plan requires staff to

monitor the overall performance of Halton Region's transportation system and to report annually to Regional Council.

Discussion

Transportation Progress Report

The 2021 Transportation Progress Report (Attachment #1) summarizes Halton Region's activities in the areas of operations and maintenance of Halton Region's Regional Road Network.

Proactive programs such as Halton Region's CROSAP (Comprehensive Road Safety Action Plan), TOSS (Traffic Operations and Safety Study), Red Light Camera Program, and Drive SAFE (Safety Awareness For Everyone) continue to ensure the safe and efficient operation of the current Regional Road network. While the number of road users has been increasing over the years due to the pace of growth, Halton Region has been able to steadily improve levels of safety over the course of 20 years of these programs' existence. This also includes an annual detailed review of operating speeds as well as posted speed limits throughout Halton.

Over the next year staff will be undertaking further review of Community Safety Zones on Regional Roads and the applicability of Automated Speed Enforcement. The results of this review will be presented to Regional Council in conjunction with the 2022 Transportation Progress Report in 2023.

The monitoring and maintenance of Halton Region's Regional Road network is carried out in accordance with levels of service outlined in the Provincial Minimum Maintenance Standards for Municipal Highways as set out in Ontario Regulation 239/02, as amended (most recently in May 2018). Ongoing adherence to maintenance standards and pavement condition reviews ensure that all Regional Roads are maintained in a good state-of-repair.

To comply with Ontario Regulation 239/02, maintenance related road classifications are reviewed annually to ensure they are current. The review is based on average annual daily traffic volumes and speed limits. Using these two values, road classifications are set to meet the Provincial standards. As a result of road classification adjustments, maintenance requirements may be amended accordingly.

Level of Service Monitoring

The 2021 Transportation Progress Report includes a Level of Service Monitoring section summarizing the results of travel time monitoring within Regional corridors. The results of the travel time monitoring confirm that Halton Region continues to maintain some of the least congested corridors compared to other Regional municipalities.

Overall Condition of the Regional Road System

The overall condition of the Regional Road System is monitored through the Pavement Management Application, yearly Road Needs Study and Biennial Bridge, Noise Wall, Culvert and Retaining Wall inspections. These programs provide an inventory of assets, quantitative condition and performance measures, performance prediction, and engineering and economic analysis tools to provide costs for needs such as resurfacing, rehabilitation, replacement and reconstruction. Currently, Halton Region's transportation infrastructure is in a state of accelerated growth, expansion and transition with more urbanization and road widening taking place. Recent road infrastructure additions and increased demands on the Regional Road System, attributable to growth-related development, are driving the need for operational, maintenance and optimized capacity improvements on roads and structures. The majority of existing regional road infrastructure is in good condition.

Overall, the Regional Transportation System is operating well with Regional Roads offering a smooth, convenient, safe, and efficient mode of travel. Through on-going investment into capital expansion, state-of-good repair works, and operational improvement measures, the performance of the system will continue to meet or exceed current levels of service.

Regional Road 25 Safety Assessment

In response to concerns about speeding and safety on Regional Road 25 between Lower Base Line and Britannia Road (Regional Road 6), Halton Region retained engineering consultant CIMA+ to conduct a safety review of Regional Road 25.

The safety review included a review of the current speed limit while considering an analysis of collision statistics of Regional Road 25 between Dundas Street and Derry Road. Based on roadway characteristics and collision history, the CIMA+ safety review indicated that the current speed limit of 80km/h was appropriate. The Transport Association of Canada (TAC) Canadian Guidelines for Establishing Posted Speed Limits was used to assess the speed limits and considers the roadway classification, cross-section, and roadway elements that would contribute to the overall safety risk.

The findings suggest that as a major rural arterial road, the current speed limits on Regional Road 25 are appropriate and the road is functioning safely in accordance with the most recent Environmental Assessment study and four-lane widening completed in 2016. This is the same approach and criteria staff have used in other road segment reviews across the Region.

FINANCIAL/PROGRAM IMPLICATIONS

There are no financial implications associated with this report. All programs and improvements identified in the Transportation Progress Report are subject to Regional Council approval through the review of the annual Transportation Capital and Road Operations Operating Budget and Forecast.

Respectfully submitted,



Rob Rivers CET
Director, Waste Management and Road
Operations



Andrew Farr
Commissioner, Public Works

Approved by



Jane MacCaskill
Chief Administrative Officer

If you have any questions on the content of this report,
please contact:

Rob Rivers

Tel. # 8289

Attachments: Attachment #1 – 2021 Transportation Progress Report



VIA EMAIL

August 17, 2022

Legislative & Planning Services
Department
Office of the Regional Clerk
1151 Bronte Road
Oakville ON L6M 3L1

Kevin Arjoon, City Clerk, City of Burlington
Meaghan Reid, Town Clerk, Town of Milton
Vicki Tytaneck, Town Clerk, Town of Oakville
Valerie Petryniak, Town Clerk, Town of Halton Hills

Please be advised that at its meeting held Wednesday, July 13, 2022, the Council of the Regional Municipality of Halton adopted the following resolution:

RESOLUTION: LPS58-22 - 2021 Employment Survey Results

1. THAT Report No. LPS58-22 re: "2021 Employment Survey Results" and attached Document under Separate Cover be received for information.
2. THAT the Regional Clerk forward a copy of Report No. LPS58-22 to the City of Burlington, the Town of Halton Hills, the Town of Milton, and the Town of Oakville for their information.

Included please find a copy of Report No. LPS58-22 for your information.

If you have any questions please contact me at the e-mail address below.

Sincerely,

A handwritten signature in blue ink, appearing to read "G. Milne", written over a light blue circular stamp.

Graham Milne
Regional Clerk
graham.milne@halton.ca

Regional Municipality of Halton

HEAD OFFICE: 1151 Bronte Rd, Oakville, ON L6M 3L1
905-825-6000 | Toll free: 1-866-442-5866

| | |
|------------|---|
| Report To: | Regional Chair and Members of Regional Council |
| From: | Bob Gray, Commissioner, Legislative and Planning Services and Corporate Counsel |
| Date: | July 13, 2022 |
| Report No: | LPS58-22 |
| Re: | 2021 Employment Survey Results |

RECOMMENDATION

1. THAT Report No. LPS58-22 Re: “2021 Employment Survey Results” and attached Document under Separate Cover be received for information.
2. THAT the Regional Clerk forward a copy of Report No. LPS58-22 to the City of Burlington, the Town of Halton Hills, the Town of Milton, and the Town of Oakville for their information.

REPORT

Executive Summary

- In 2021, the Region conducted its 12th annual survey of businesses in Halton to collect information about business and employment activities.
- Despite the continued impacts of the COVID-19 pandemic, businesses in Halton have shown resilience and adapted to the pandemic restrictions through various measures such as work-from-home arrangements.
- As a result of COVID-19 pandemic restrictions, the 2021 Employment Survey was conducted by engaging businesses in Halton over the phone or by email.
- The participation rate in the 2021 Employment Survey increased to 47.9 per cent (6,512 businesses) from 40.3 per cent (5,496 businesses) in 2020. To account for the low response rate, inferential statistics were used on the remaining 52.1 per cent (7,088 businesses) that were unavailable to respond to the 2021 Survey.
- Key findings from the 2021 Employment Survey include:
 - A total of 13,600 businesses were identified, which is a slight decrease from the 13,647 businesses identified in 2020.

- A total of 894 businesses that were operating in 2020 were identified as closed in 2021 while 847 businesses were newly identified in 2021, which resulted in a net decrease of 47 businesses between 2020 and 2021.
- A total of 234,800 jobs were estimated in Halton in 2021, representing a moderate increase of 2.8 per cent (6,400 jobs) from the 228,400 jobs estimated in 2020. Part of this increase can be attributed to recalling positions that were previously suspended during the earlier period of the pandemic in 2020.
- Of the 6,512 businesses that participated, 6,169 businesses responded to the survey question regarding working from home. 26.7 per cent of the responses (1,649 businesses) indicated that they had implemented work-from-home arrangements with their employees.
- In terms of business counts, the Information and Cultural Industries sector had the highest net decrease of 22 businesses in 2021, down 10.6 per cent from 208 businesses in 2020 to 186 businesses in 2021. Conversely, the Construction sector had a net increase of 30 businesses, up 6.6 per cent from 454 businesses in 2020 to 484 businesses in 2021.
- In terms of job counts, the Finance and Insurance sector had the highest net decrease of 920 jobs in 2021, down 9.4 per cent from the 9,800 estimated jobs in 2020 to 8,880 estimated jobs in 2021. Conversely, the Professional, Scientific, and Technical Services sector saw a net increase of about 2,525 jobs, up 17.4 per cent from the 14,500 estimated jobs in 2020 to 17,025 estimated jobs in 2021.

Background

The 2021 Employment Survey was the 12th annual survey of businesses in Halton Region. Through the Employment Survey, information is collected on business and employment activities in Halton. This includes, among other things, data on: the number of employees, type of employment (full-time, part-time, or seasonal), business location, industry sector, floor space, and building type. Beginning in 2020, the Employment Survey included an additional question on work-from-home arrangements.

Information gathered through the Employment Survey is used to inform and support Regional analysis and decision-making related to land use planning and economic development and to provide an overall understanding of economic and employment trends in Halton, including monitoring the Region's strategically identified and located Employment Areas, among other things.

COVID-19 Pandemic Considerations on the 2021 Employment Survey

The 2021 Employment Survey included additional considerations to account for the challenges and limitations that Halton Region's business communities faced due to the continued COVID-19 pandemic. An alternative survey approach was conducted in consideration of pandemic precautions, which included the following key adjustments to the survey methodology:

- The survey has typically relied on in-person, face-to-face interactions at business locations throughout Halton. This approach was adjusted in consideration of the pandemic health and safety precautions:
 - Remote Surveys – Businesses were provided with a range of options to remotely participate in the 2021 Employment Survey including providing responses over the phone, returning an electronically completed survey questionnaire by email, or completing the online survey form available on halton.ca.
 - Site Visits – In order to visually verify and confirm business activities (i.e. business closures and new businesses), the team of Employment Surveyors conducted site visits throughout the survey period to visit all business locations in Halton. Site visits were completed while maintaining physical distancing and following all public health measures.

Due to the challenging circumstances faced by businesses (i.e., temporary closures, operational adjustments, limited capacities and hours, etc.), as well as changes to the survey methods described above, the participation rate in the 2021 Employment Survey remained lower than pre-pandemic years which was typically at a rate of 80 per cent or higher. At the conclusion of the 2021 Employment Survey, 6,512 businesses responded resulting in a participation rate of 47.9 per cent. The participation rate in 2021 was higher than the 40.3 per cent (5,496 businesses) participation rate in 2020.

Despite the low response rate, 6,512 responses provide valuable information about business and employment activity in Halton Region in 2021 in the context of the COVID-19 pandemic. Specifically, the 2021 Employment Survey was able to identify all visible active businesses, closed businesses, and new businesses in Halton Region. The 2021 Employment Survey was strategically conducted to receive responses from all economic sectors to provide a representative sample of businesses by sector. Accordingly, to account for the low response rate, inferential statistics were used on the remaining 52.1 per cent (7,088 businesses) that were unavailable to respond to the Survey in 2021. Consequently, total job counts highlighted and summarized in this report are based on statistical estimates for 2021.

Discussion

2021 Employment Survey Highlights

The “2021 Employment Survey Results” provided as Attachment #1 to this report, highlights information on business and employment activity in Halton based on the results of the 2021 Employment Survey. It also describes key observed trends in the identified business and estimated job counts, including the distribution of businesses and jobs across Halton by municipality and land use area.

The 2021 Employment Survey results suggest:

- **Businesses in Halton continued to remain resilient with a slight net decrease compared to the number of businesses identified in 2020.**

A total of 13,600 businesses were estimated in Halton in 2021, which is a slight decrease from the 13,647 businesses estimated in 2020. The total number of businesses identified in 2021 includes 847 new businesses identified through the Employment Survey, generally making up for the 894 businesses that were identified as having closed since 2020.

Due to pandemic restrictions during the 2021 survey period, many businesses were observed to remain temporarily closed or operating at limited capacity. As these closures were temporary, the businesses were still considered to be active for the purposes of the 2021 Employment Survey. The status of these businesses will be confirmed through the 2022 Employment Survey.

While each municipality saw varying impacts on business operations in 2021, the share of Halton’s total businesses identified within each municipality also remained relatively unchanged from the 2020 Employment Survey. Oakville continues to have the highest share of businesses in Halton at 38.1 per cent (5,185 businesses), followed by Burlington at 36.6 per cent (4,981 businesses). Milton and Halton Hills have shares of 14.6 per cent (1,990 businesses) and 10.6 per cent (1,444 businesses), respectively.

- **There was a moderate increase in the number of jobs in Halton.**

The 2021 Employment Survey Results report estimated a total of 234,800 jobs in Halton, a net increase of about 6,400 jobs or a 2.8 per cent increase from 228,400 jobs identified in 2020. In 2021, an estimated total of 26,500 jobs were added comprised of 1,800 jobs attributed to newly identified businesses in 2021 and 24,700 additional jobs in existing active businesses, signaling a moderate increase in overall jobs from the 2020 Employment Survey. On the other hand, an estimated total of 20,000 jobs were lost in 2021 that were attributed to loss of 6,800 jobs from business closures and to loss of 13,200 jobs in existing active businesses.

By municipality, Oakville continues to have the highest share of jobs in Halton at 39.0 per cent (91,500 estimated jobs), followed by Burlington at 36.5 per cent (85,600 estimated jobs). Milton and Halton Hills have shares of 15.5 per cent (36,300 estimated jobs) and 9.0 per cent (21,400 estimated jobs), respectively.

- **About 26.7 per cent of businesses in Halton indicated that they have implemented work-from-home arrangements with their employees, which is an increase from 21.6 per cent in 2020.**

In 2021, of the 6,512 businesses that responded to the survey, 6,169 businesses provided a response to the Employment Survey's work-from-home question. Of the responses received, 26.7 per cent indicated that the businesses had work-from-home arrangements with their employees. This demonstrates a continued trend of businesses adapting to the pandemic restrictions with an increase of 5.1 per cent from 21.6 per cent of work-from-home business reported in the 2020 Employment Survey. Within these businesses, 24,500 employees were identified to be working from home under various arrangements, which represent about 53.1 per cent of the total employees working at these businesses.

The work-from-home survey question was first introduced in 2020 and will continue to be included as part of the Employment Survey to enable long-term observation of work-from-home trends.

- **In 2021, in terms of business counts, the Information and Cultural Industries sector had the highest net decrease in businesses whereas the Construction sector had the highest net increase.**

Continued impact of the COVID-19 pandemic vary across different sectors. In terms of business operations, the Information and Cultural Industries sector had the highest net decrease in the number of business counts by 10.6 per cent, down from 208 businesses identified within the sector in the 2020 Employment Survey to 186 businesses in the 2021 Employment Survey, as summarized in Table 1 below. The Information and Cultural Industries sector includes businesses producing and distributing (except by wholesale and retail methods) information and cultural products.

Table 1: Top Sector with the Highest Net Decrease in Business Count between 2020 and 2021

| Top Sector with the Highest Net Decrease in Business Count | 2020 Business Count | 2021 Business Count | Change Between 2020 and 2021 |
|--|---------------------|---------------------|------------------------------|
| Information and Cultural Industries Sector | 208 | 186 | - 22 (- 10.6%) |

Conversely, as summarized in Table 2 below, the Construction sector had the highest net increase in the number of businesses by 6.6 per cent, up from the 454 businesses

identified within the sector in the 2020 Employment Survey to 484 businesses reported in the 2021 Employment Survey. The Construction sector includes businesses involved in constructing, repairing, and renovating buildings and engineering works, and in subdividing and developing land

Table 2: Top Sector with the Highest Net Increase in Business Count between 2020 and 2021

| Top Sector with the Highest Net Increase in Business Count | 2020 Business Count | 2021 Business Count | Change Between 2020 and 2021 |
|--|---------------------|---------------------|------------------------------|
| Construction Sector | 454 | 484 | + 30 (+ 6.6%) |

- **In 2021, in terms of job counts, the Finance and Insurance sector had the highest net decrease in the number of jobs whereas the Professional, Scientific and Technical Services sector had the highest net increase.**

Similar to business operations, the persisting impact of the COVID-19 pandemic on jobs varied across different sectors. As summarized in Table 3 below, the Finance and Insurance sector had the highest net decrease in the number of jobs with an estimated 920 jobs lost, representing a 9.4 per cent decrease, down from 9,800 jobs identified within the sector in the 2020 Employment Survey to 8,880 jobs reported in the 2021 Employment Survey. The Finance and Insurance sector includes businesses engaging in financial transactions or in facilitating financial transactions (involving the creation, liquidation, or change in ownership of financial assets).

Table 3: Top Sector with the Highest Net Decrease in Job Count between 2020 and 2021

| Top Sector with the Highest Net Decrease in Job Count | 2020 Job Count (Estimate) | 2021 Job Count (Estimate) | Change Between 2020 and 2021 (Estimate) |
|---|---------------------------|---------------------------|---|
| Finance and Insurance Sector | 9,800 | 8,880 | - 920 (- 9.4%) |

Conversely, as summarized in Table 4 below, the Professional, Scientific, and Technical Services sector had the highest net increase in number of jobs with an estimated 2,530 jobs gained, representing a 17.4 per cent increase, up from 14,500 jobs identified within the sector in the 2020 Employment Survey to 17,030 jobs reported in the 2021 Employment Survey. The Professional, Scientific and Technical Services sector includes businesses engaging in activities in which human capital is the major input.

Table 4: Top Sector with the Highest Net Increase in Job Count between 2020 and 2021

| Top Sector with the Highest Net Increase in Job Count | 2020 Job Count (Estimate) | 2021 Job Count (Estimate) | Change Between 2020 and 2021 (Estimate) |
|--|----------------------------------|----------------------------------|--|
| Professional, Scientific, and Technical Services Sector | 14,500 | 17,030 | + 2,530 (+ 17.4%) |

Next Steps

The 2022 Employment Survey launched on May 9, 2022 with a team of eight Planning Employment Surveyors. The Surveyors will be reaching out to businesses initially by phone and by email due to the ongoing COVID-19 pandemic. As public health guidance enables more direct community engagement, staff will explore opportunities to conduct in-person surveys with businesses to encourage more responses to the Employment Survey. Surveyors will continue to conduct site visits to visually verify and confirm business operations, including identifying new businesses and closures. The 2022 Employment Survey will close on September 30, 2022. A report on the results of the 2022 Employment Survey will be provided to Regional Council in 2023.

FINANCIAL/PROGRAM IMPLICATIONS

The cost of undertaking the annual region-wide comprehensive employment survey is included in the Planning Services Operating Budget.

Respectfully submitted,



Curt Benson
Director, Planning Services and Chief
Planning Official



Bob Gray
Commissioner, Legislative and Planning
Services and Corporate Counsel

Approved by



Jane MacCaskill
Chief Administrative Officer

If you have any questions on the content of this report,
please contact:

Curt Benson

Tel. # 7181

Attachments: Attachment #1 – 2021 Employment Survey Results (Document Under Separate Cover)



2021

Employment Survey Results





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| Businesses by Halton's land use area | Goods vs service producing jobs |
| 07 Businesses: Key trends in 2021 | 15 Businesses and jobs: All sectors |
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Message from Halton Regional Chair Gary Carr

On behalf of Regional Council, I am pleased to present the results of the 2021 Employment Survey. Thank you, once again, to our business community for your participation. This annual survey helps Halton gain valuable information about employment in the region and informs policy and decision-making on land use, infrastructure and service improvements that will support our community in the years to come.

Our 2021 Employment Survey depicts a positive future for the region's recovery, despite the continued global impacts of COVID-19. Our local businesses have shown remarkable resilience and have adapted to the pandemic through work-from-home arrangements, new health and safety measures and an enhanced digital presence. Halton's highly skilled and predominantly professional labour force, along with business supports such as financial relief programs and advisory services, also aided local economic recovery and helped businesses navigate the pivots and changes.

Here are some highlights from the 2021 Employment Survey based on the responses from businesses:

- Jobs in Halton increased by an estimated 2.8 per cent between 2020 and 2021.
- Businesses in the Professional, Scientific and Technical Services sector saw the highest net estimated increase in jobs—a more than 17 per cent increase from 2020.
- More than 26 per cent of employers indicated they had staff working from home.
- Employment Areas in Halton hosted more than 41 per cent of total businesses and 51 per cent of total jobs.

I encourage you to read this year's Employment Survey to learn more about Halton's local business community. By working with business owners and operators to plan for the future of employment in the region, we can keep Halton a great place to live, work, raise a family and retire. For additional information about employment in Halton, visit [halton.ca](https://www.halton.ca).

Sincerely,

Gary Carr
Halton Regional Chair

Introduction and Highlights

2021 Employment survey

In 2021, the Region conducted its 12th annual Employment Survey of businesses in Halton. Through the survey, the Region collects and updates information on businesses and employment across Halton. This includes data such as the number of employees, type of employment (full-time, part-time or temporary), industry sector and business space.

The results of this survey represent voluntary responses and input from businesses. These businesses have a physical location within Halton and are visible to the general public with business signage. In addition, as a result of the response rate in 2021, the results as they relate to job counts are presented as estimates. See page 19 for methodological notes on job counts in 2021.

Report content

This report provides a summary of the 2021 Employment Survey results. In particular, the report:

- highlights the total number of businesses identified and jobs estimated in 2021 and provides a five-year trend from 2017 to 2021;
- presents additional information on businesses and jobs based on survey responses; and
- examines the geographic distribution of businesses and jobs across Halton, including within the Employment Areas identified in Halton's Regional Official Plan.

The 2021 Employment Survey Results report is organized as follows:

| | |
|--|---|
| | Businesses Provides highlights related to businesses in Halton. |
| | Jobs Provides highlights related to jobs in Halton. |
| | Businesses and Jobs by Sector Identifies key economic sectors in Halton by businesses and jobs. |
| | Employment Area Provides highlights of businesses and jobs within Halton's Employment Areas. |

For information on the survey methodology, please see page 19.

2021 business highlights

13,600

businesses in Halton
(13,647 in 2020)

- 47

net change in businesses
between 2020 and 2021
(-3 in 2020)

894

business closures
(880 in 2020)

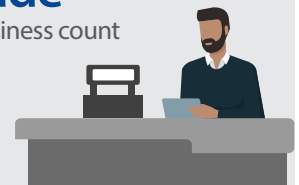
41.7%

of businesses were
located in Halton's
Employment Areas
(43.8% in 2020)



Retail trade

Top sector by business count



2021 job highlights

234,800

estimated (rounded)
jobs in Halton
(228,400 in 2020)

6,400

net estimated (rounded)
change in jobs between
2020 and 2021
(-13,000 in 2020)

72.1%

of estimated (rounded)
jobs were full-time
positions
(72.2% in 2020)

51%

of estimated (rounded)
jobs were located in
Halton's Employment
Areas
(53.6% in 2020)



Manufacturing

Top sector by job count



2021 Employment Survey

Businesses: Summary

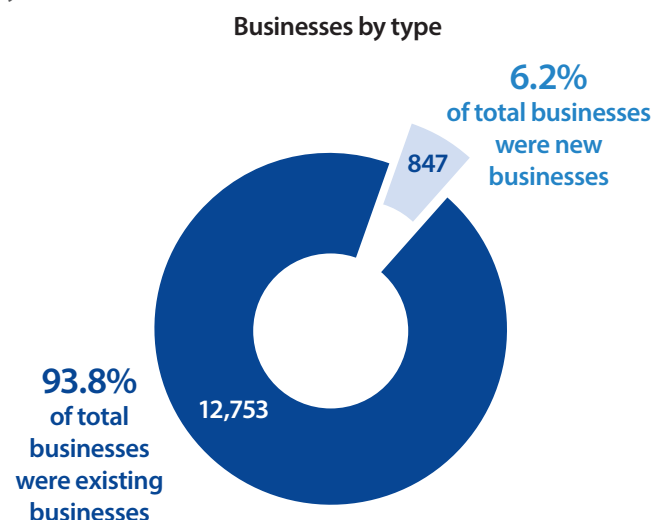


13,600 businesses identified in 2021

- 47 net change in businesses between 2020 and 2021

Businesses by type

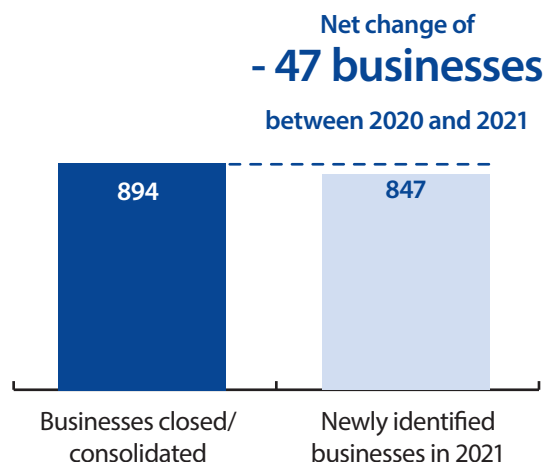
The 2021 Employment Survey identified a total of 13,600 businesses in Halton Region. Of the businesses identified, 93.8 per cent (12,753 businesses) were existing businesses, or businesses that have been operating in Halton since 2020 or earlier. The remaining 6.2 per cent (847 businesses) were businesses identified for the first time in 2021. These represent businesses that were not identified during previous survey years.



Net change between 2020 and 2021

In 2021, 894 businesses that have been operating in Halton since 2020 or earlier were identified as closed. The survey also identified 847 new businesses in 2021. As a result, there was an overall net decrease of 47 businesses between 2020 and 2021. Business closures do not include businesses that were temporarily closed (i.e. anticipated to reopen at a later date).

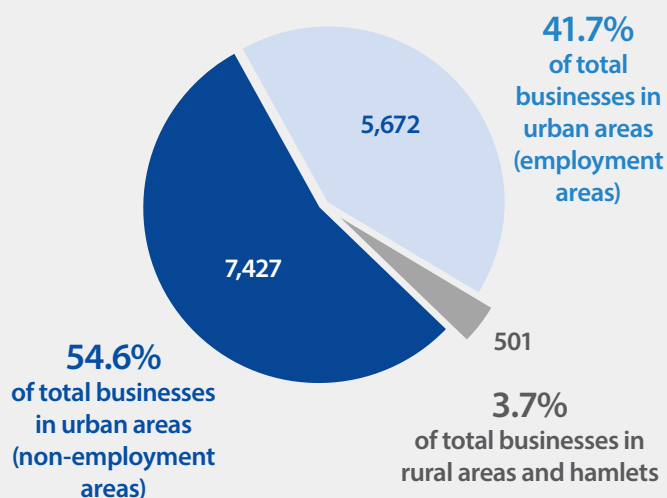
Net change of total businesses between 2020 and 2021



Businesses by Halton's land use areas

In 2021, 96.3 per cent (13,099 businesses) of Halton's total businesses were located in urban areas. Urban areas are where the majority of Halton's population and employment growth occur. Within the urban areas are employment areas with a specific role of supporting Halton's key economic activities. 41.7 per cent (5,672 businesses) of Halton's total businesses were located in the employment areas. For more highlights on the employment areas, see page 16 of the report.

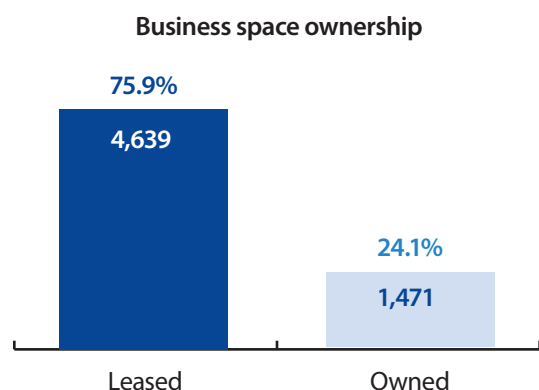
The remaining 3.7 per cent (501 businesses) were located in hamlets and rural areas. Hamlets are part of Halton's settlement area, but located within rural areas. Limited population and employment growth are directed to these areas; however, they play an important economic role in Halton to support rural and agricultural activities.





Business space ownership

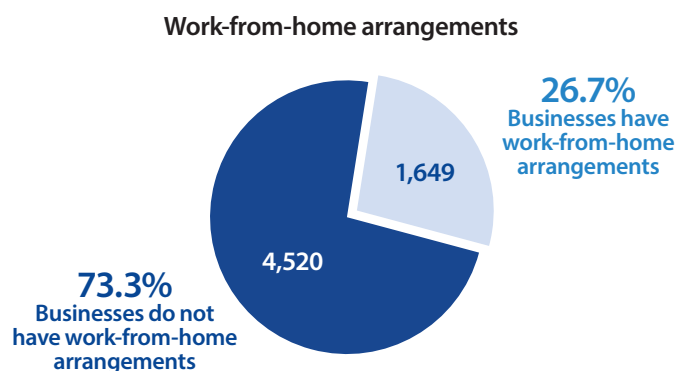
In 2021, 75.9 per cent (4,639 businesses) of businesses that responded to the survey operated in a business space that was leased. The remaining 24.1 per cent (1,471 businesses) owned the business space.



Based on 6,110 responses

Work-from-home arrangements

In 2021, of the 6,169 businesses that responded to the work-from-home survey question, 26.7 per cent (1,649 businesses) indicated that the business had work-from-home arrangements with employees. The remaining 73.3 per cent (4,520 businesses) indicated that they do not have work-from-home arrangements.



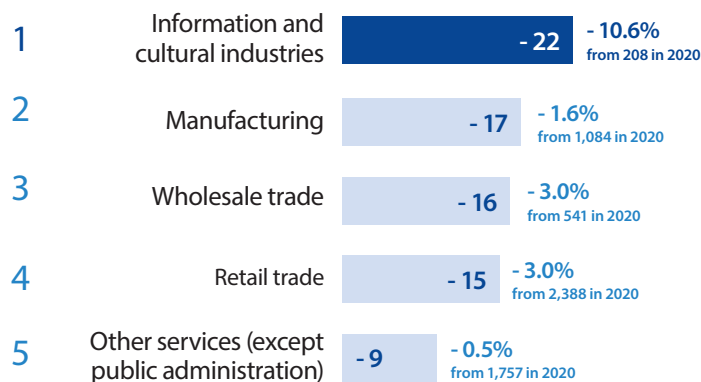
Based on 6,169 responses

Top sectors by net business closures

In 2021, the Information and Cultural Industries sector had the highest decrease in net number of businesses due to higher number of closures with a decrease of 22 businesses, or a 10.6 per cent decrease from 208 businesses identified within the sector in 2020.

The chart below identifies the top five sectors by net number of business closures. For descriptions of the sectors, see page 21 of this report.

Top 5 sectors by net number of business closures



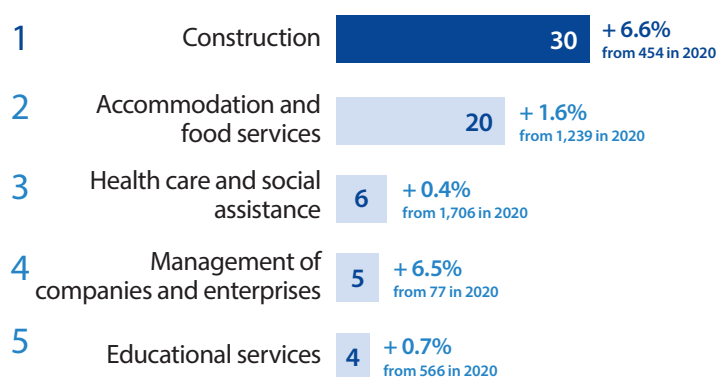
Based on 118 business closures and 66 new businesses

Top sectors by net new businesses

In 2021, the Construction sector had the highest increase in net number of businesses with an increase of 30 businesses, or a 6.6 per cent increase from 454 businesses identified within the sector in 2020.

The chart below identifies the top five sectors by net number of new businesses. For descriptions of the sectors, see page 21 of this report.

Top 5 sectors by net number of new businesses

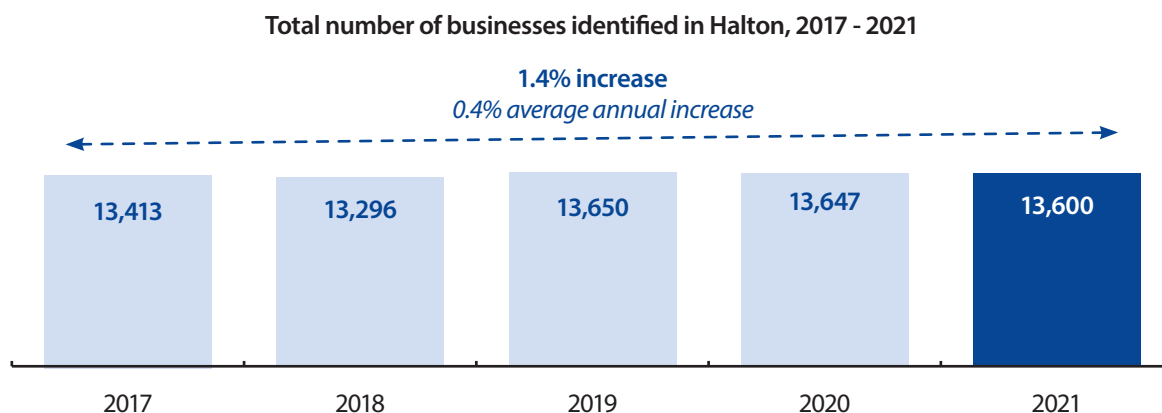


Based on 118 business closures and 66 new businesses



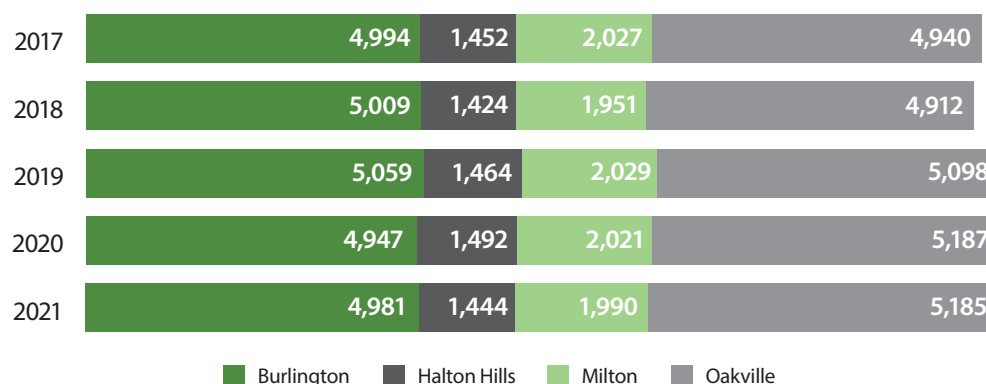
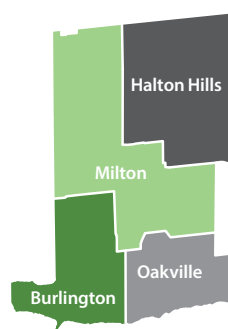
Five-year business trend in Halton (2017 – 2021)

Between 2017 and 2021, the Employment Survey results show an overall increase of 1.4 per cent (187 businesses) in the total number of businesses identified over the five-year period. The results suggest an average annual increase of 0.4 per cent, or 37 (rounded) businesses each year during this period.



Five-year business trend by municipality (2017 – 2021)

By municipality, Oakville had the highest annual rate of change in the number of businesses identified, with an average annual increase of 1.2 per cent. Halton Hills, Burlington, and Milton observed declining trends in the number of businesses, with Halton Hills and Burlington both experiencing an average annual decrease of 0.1 per cent, and Milton with an average annual decrease of 0.4 per cent.



| | Burlington | Halton Hills | Milton | Oakville | Halton Region |
|--------------------------------|------------|--------------|--------|----------|---------------|
| Five-year change (2017 – 2021) | -0.3% | -0.6% | -1.8% | 4.9% | 1.4% |
| Annual average (2017 – 2021) | -0.1% | -0.1% | -0.4% | 1.2% | 0.4% |

Businesses: Geographic distribution

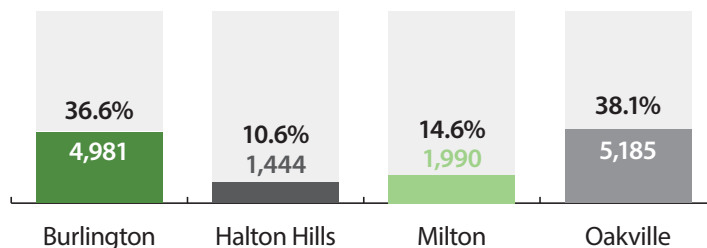


Distribution by municipality

By municipality, Oakville had the highest share of the total identified businesses in 2021 at 38.1 per cent (5,185 businesses), followed by Burlington with a share of 36.6 per cent (4,981 businesses). Together, Oakville and Burlington were home to about 75 per cent of Halton's total businesses identified in 2021.

Milton and Halton Hills had shares of 14.6 per cent (1,990 businesses) and 10.6 per cent (1,444 businesses), respectively.

Distribution of businesses in Halton by municipality



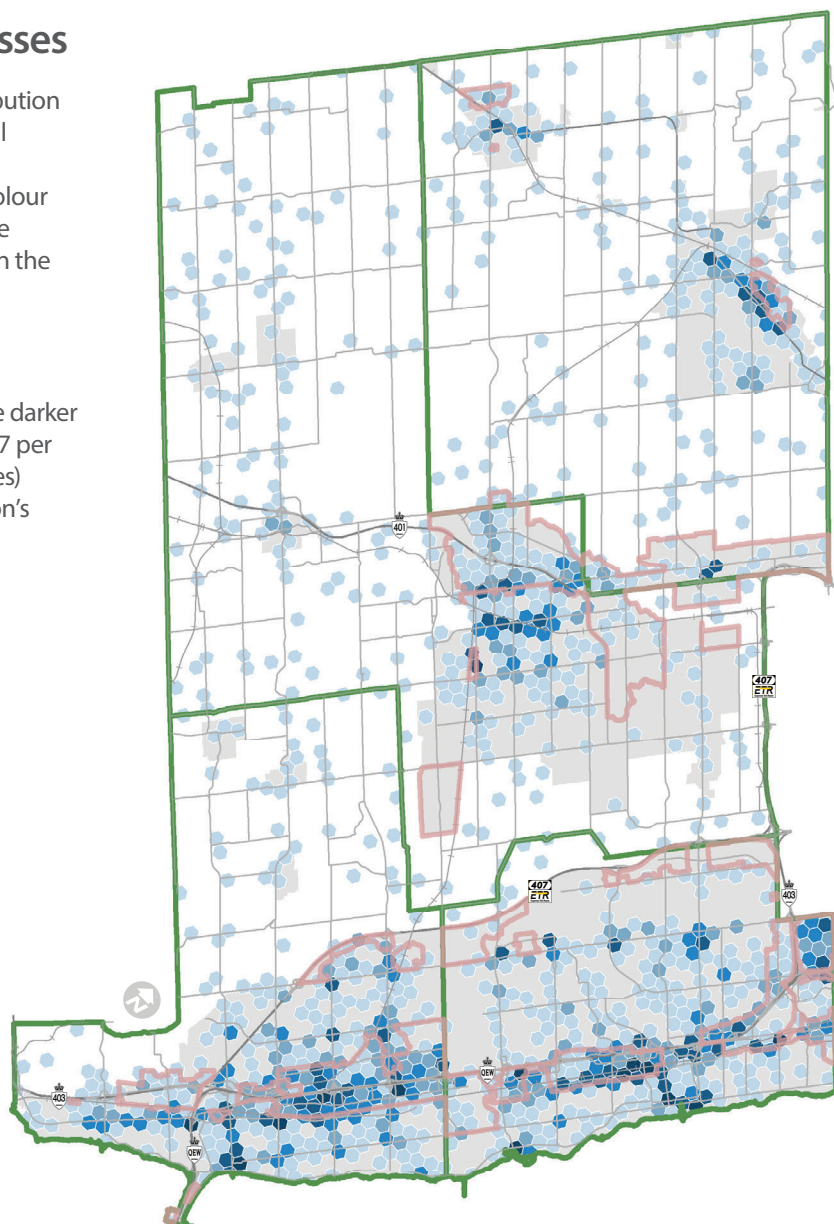
Based on 13,600 businesses

Geographic distribution of businesses

The map shown on this page identifies the spatial distribution of businesses across Halton Region. To provide an overall picture of where businesses are located in Halton, each geographic area highlighted on the map is assigned a colour based on the number of businesses within that area. The darker the colour, the higher the number of businesses in the area.

The 13,600 businesses identified in 2021 are located throughout Halton's settlement areas (urban areas and hamlets) and rural agricultural areas. As illustrated by the darker shades, there are visible concentration of businesses (41.7 per cent of the total businesses identified, or 5,700 businesses) located within the Employment Areas identified in Halton's Regional Official Plan.

- 1 to 10 businesses
- 11 to 25 businesses
- 26 to 50 businesses
- 51 to 100 businesses
- 100+ businesses
- Urban area & hamlet
- Employment Area



2021 Employment Survey

Jobs: Summary



234,800

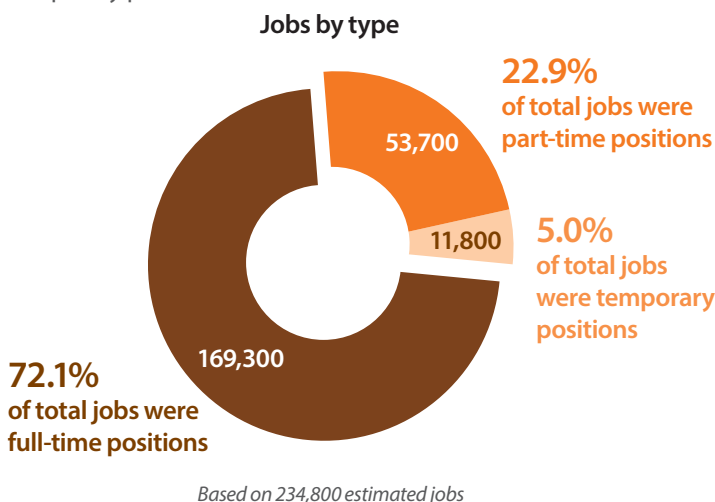
Total estimated (rounded)
jobs in 2021

+ 6,400

Net estimated (rounded) change
in jobs between 2020 and 2021

Jobs by type

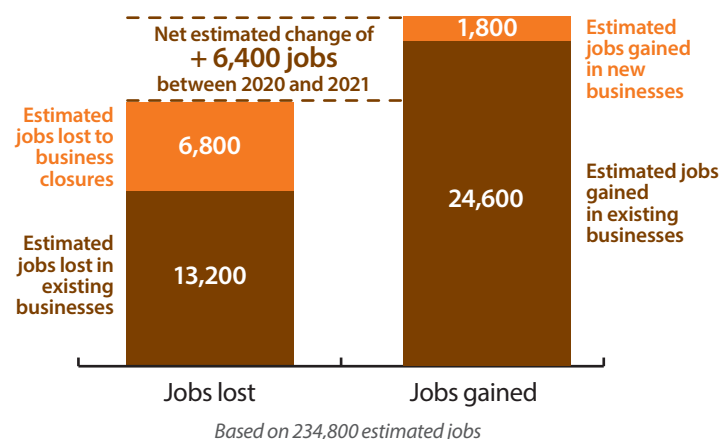
The 2021 Employment Survey estimated a total of 234,800 jobs in Halton Region. The majority of jobs in 2021 were full-time positions¹, representing 72.1 per cent of total jobs (169,300 jobs). 22.9 per cent of the jobs (53,700 jobs) were part-time positions². The remaining 5.0 per cent (11,800 jobs) were temporary positions³.



Net change between 2020 and 2021

Between 2020 and 2021, there was an estimated net increase of 2.8 per cent (6,400 jobs) in total jobs. Increase was due to more jobs gained from new and existing businesses (1,800 jobs and 24,600 jobs, respectively) than jobs lost to business closures and in existing businesses (6,800 jobs and 13,200 jobs, respectively).

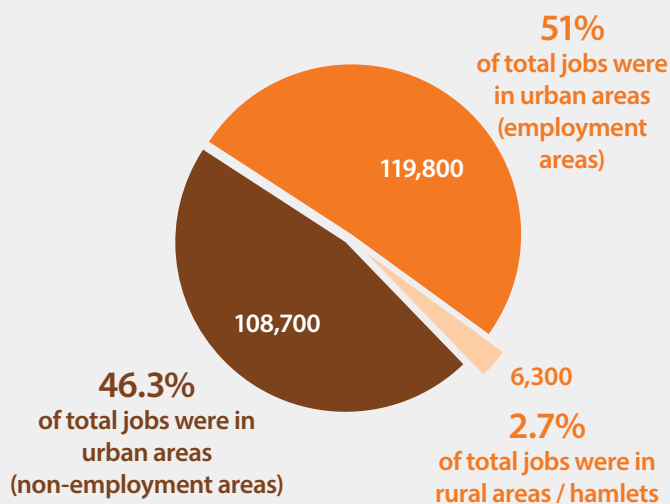
Net estimated change of total jobs between 2020 and 2021



Jobs by Halton's land use area

In 2021, 97.3 per cent (228,500 jobs) of Halton's total jobs were located in urban areas. Urban areas are where the majority of Halton's population and employment growth occur. Within the urban areas are employment areas with a specific role of supporting Halton's key economic activities. 51 per cent (119,800 jobs) of Halton's total businesses were located in the employment areas. For more highlights on the employment areas, see page 16 of the report.

The remaining 2.7 per cent (6,300) were located in hamlets and rural areas. Hamlets are part of Halton's settlement area, but located within rural areas. Limited population and employment growth are directed to these areas; however, they play an important economic role in Halton to support rural and agricultural activities.



1. Full-time positions are based on jobs that consist of 30 hours or more per week.

2. Part-time positions are based on jobs that consist of 30 hours or less per week.

3. Temporary positions are based on jobs that are under a contract for a specific, limited amount of time, such as seasonal or holidays.

2021 Employment Survey

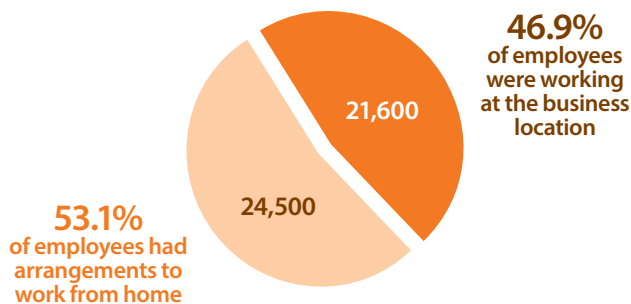
Jobs: Key trends in 2021



Employees working from home

In 2021, 6,169 businesses responded to the survey question regarding working from home. Of those, 1,649 businesses indicated employees had the ability to work from home. In total, the 6,169 businesses employed 46,100 jobs with 53.1 per cent (24,500 jobs) working from home. The remaining 46.9 per cent (21,600 jobs) at those businesses continued to work at the business location.

Employees working from home at businesses with work-from-home arrangements



Based on 1,649 businesses with work-from-home arrangements, and 46,100 work-from-home jobs

Work-from-home by proportion

The proportion of employees working from home differed within the 1,649 businesses that indicated employees had the ability to work from home. At a majority of these businesses (65.7 per cent), between 76 to 100 per cent of employees worked from home. 13.8 per cent of these businesses had between 51 and 75 per cent of their employees working from home, while the remaining 20.5 per cent of the businesses had 50 per cent or less of their workforce working from home.

Work-from-home by proportion

| Proportion of total employees working from home (%) | Number of employees working-from-home at the businesses |
|---|---|
| 1 to 25% | 10.1% 2,500 employees at 167 businesses |
| 26 to 50% | 10.4% 2,600 employees at 171 businesses |
| 51 to 75% | 13.8% 3,400 employees at 228 businesses |
| 76 to 100% | 65.7% 16,000 employees at 1,083 businesses |

Based on 1,649 businesses and 24,500 work-from-home jobs

Top sectors by net jobs lost

In 2021, the Finance and Insurance Sector had the highest number of jobs lost with an estimated net decrease of 920 jobs, or a 9.4 per cent net decrease from 9,800 jobs in 2020.

The chart below identifies the top 5 sectors by net number of jobs lost. For descriptions of the sectors, see page 21 of this report.

Top 5 sectors by number of net jobs lost

| | | | |
|---|--|-------|-------------------------------|
| 1 | Finance and insurance | - 920 | - 9.4% from 9,800 in 2020 |
| 2 | Administrative and support, waste management and remediation | - 670 | - 12.3% from 5,500 in 2020 |
| 3 | Real estate and rental and leasing | - 570 | - 15.9% from 3,600 in 2020 |
| 4 | Wholesale trade | - 550 | - 5.8% from 9,600 in 2020 |
| 5 | Educational services | - 490 | - 2.4% from 20,700 in 2020 |

Based on 234,800 jobs with NAICS

Top sectors by net jobs gained

In 2021, the Professional, Scientific and Technical Services Sector had the most number of new jobs with an estimated net increase of 2,530 jobs, or an 17.4 per cent increase from 14,500 jobs in 2020.

The chart below identifies the top 5 sectors by net number of new jobs. For descriptions of the sectors, see page 21 of this report.

Top 5 sectors by number of net jobs gained

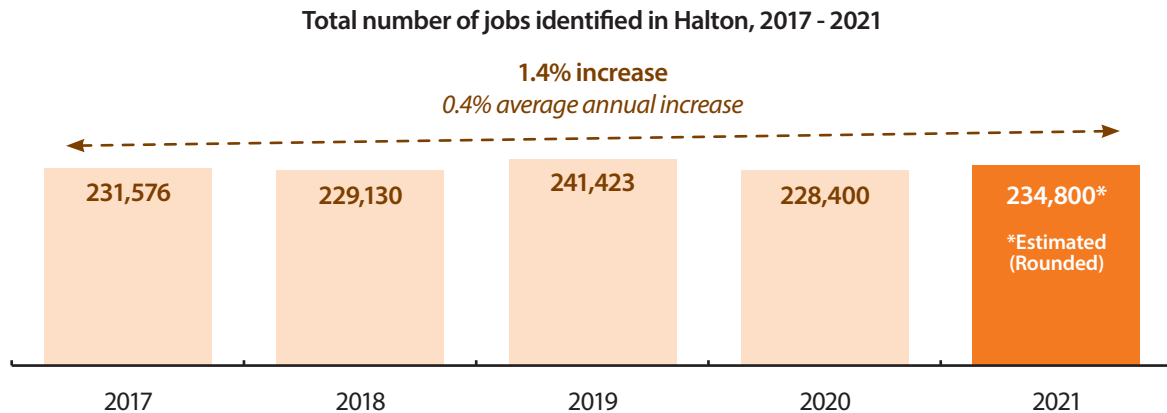
| | | | |
|---|---|-------|--------------------------------|
| 1 | Professional, Scientific and Technical Services | 2,530 | + 17.4% from 14,500 in 2020 |
| 2 | Manufacturing | 2,040 | + 6.2% from 33,100 in 2020 |
| 3 | Transportation and warehousing | 1,780 | + 20.2% from 8,800 in 2020 |
| 4 | Information and cultural industries | 740 | + 14.5% from 5,100 in 2020 |
| 5 | Management of companies and enterprises | 590 | + 17.8% from 3,300 in 2020 |

Based on 234,800 jobs with NAICS



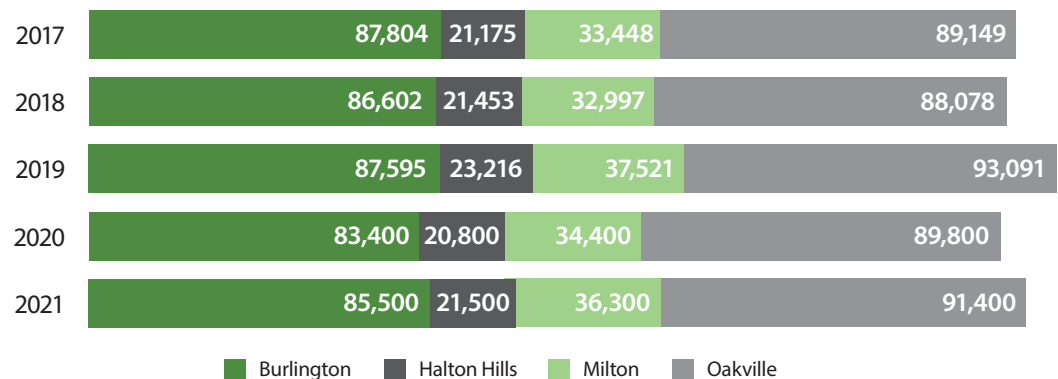
Five-year job trend (2017 – 2021)

Between 2017 and 2021, the Employment Survey results show an overall increase of 1.4 per cent (3,200 jobs) in the total number of jobs identified in Halton over the five-year period. The results suggest an average annual increase of 0.4 per cent over the last five years, or 640 additional jobs identified each year during this period.



Five-year job trend by municipality (2017 – 2021)

By municipality, Milton had the highest annual rate of change in the number of jobs identified with an average annual increase of 2.4 per cent. Oakville and Halton Hills both had an average annual increase of 0.6 per cent. Between 2017 and 2021, Burlington observed a declining trend in the number of jobs identified with an average annual decrease of 0.6 per cent during this period.



| | Burlington | Halton Hills | Milton | Oakville | Halton Region |
|--------------------------------|------------|--------------|--------|----------|---------------|
| Five-year change (2017 – 2021) | - 2.6% | 1.5% | 8.5% | 2.5% | 1.4% |
| Annual average (2017 – 2021) | - 0.6% | 0.6% | 2.4% | 0.6% | 0.4% |

Jobs: Geographic distribution

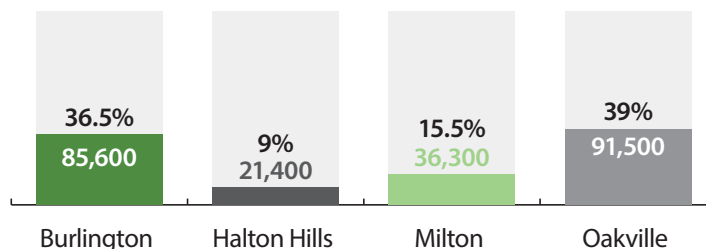


Distribution by municipality

By municipality, Oakville had the highest share of the total estimated jobs in 2021 at 39 per cent (91,500 jobs), followed by Burlington with a 36.5 per cent share (85,600 jobs). Together, Oakville and Burlington were home to over 75 per cent of Halton's total estimated jobs in 2021.

Milton and Halton Hills had shares of 15.5 per cent (36,300 jobs) and 9 per cent (21,400 jobs), respectively.

Distribution of jobs in Halton by municipality



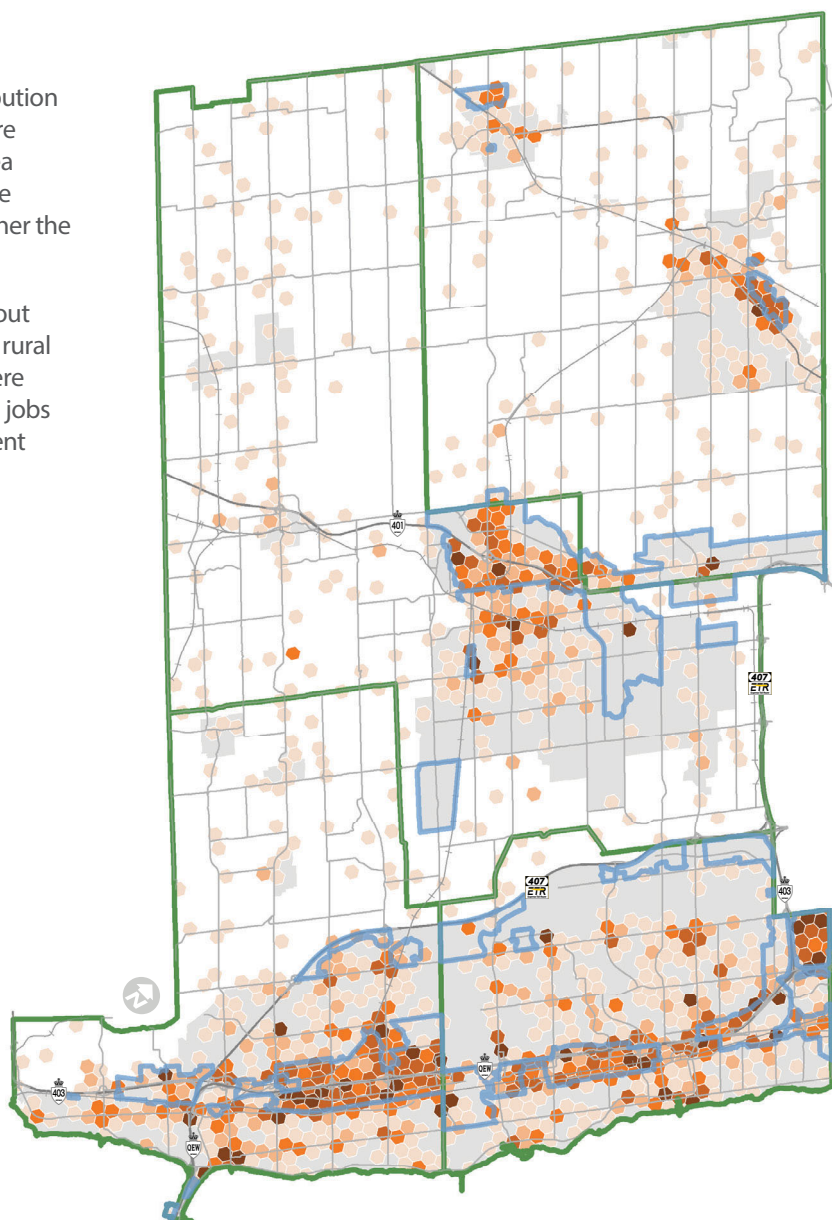
Based on 234,800 estimated jobs

Geographic distribution of jobs

The map shown on this page identifies the spatial distribution of jobs across Halton Region. To provide an overall picture of where jobs are located in Halton, each geographic area highlighted on the map is assigned a colour based on the number of jobs in an area. The darker the colour, the higher the number of jobs in the area.

The 234,800 estimated jobs in 2021 are located throughout Halton's settlement areas (urban areas and hamlets) and rural agricultural areas. As illustrated by the darker shades, there are visible concentrations of jobs (51 per cent of the total jobs estimated, or 119,800 jobs) located within the Employment Areas identified in Halton's Regional Official Plan.

- 1 to 100 total jobs
- 101 to 250 total jobs
- 251 to 500 total jobs
- 501 to 1,000 total jobs
- 1,001 to 4,000 total jobs
- Urban area & hamlet
- Employment Area

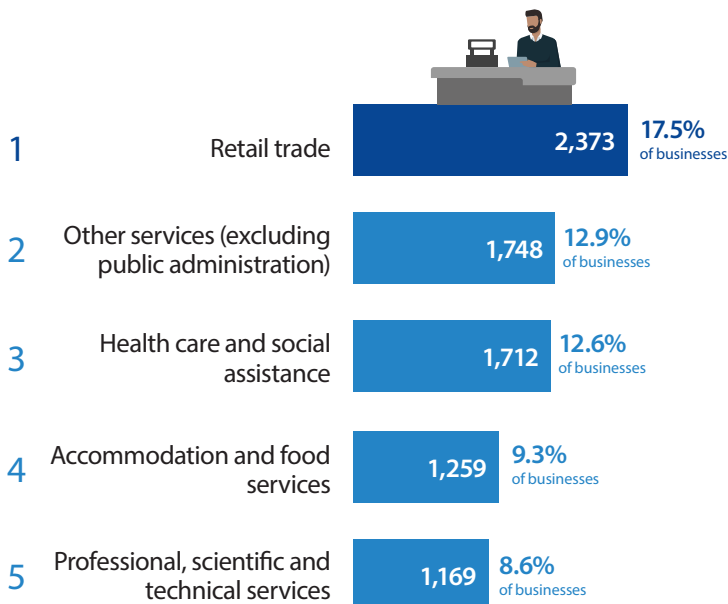


Businesses and jobs: Key Trends in 2021



Top 5 sectors by business count

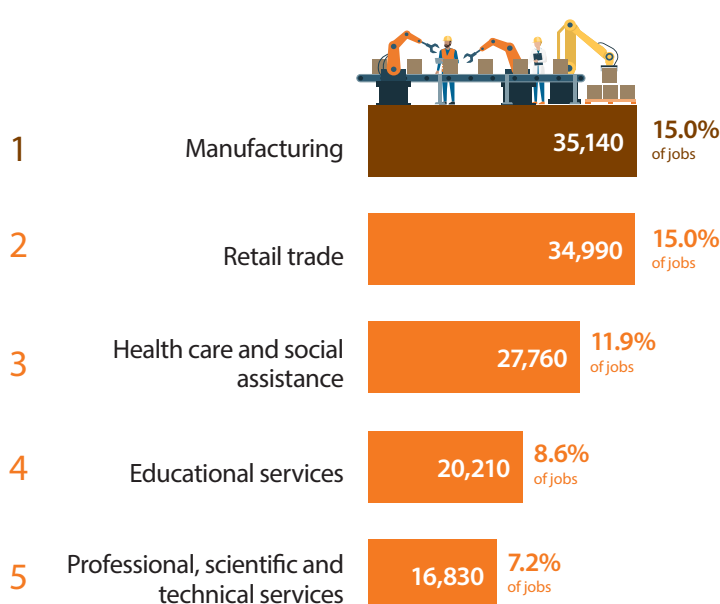
The top sector by total identified business count in 2021 was the Retail Trade sector, representing 17.5 per cent of the total businesses identified in Halton (2,373 businesses). The chart below provides the top 5 sector by business count.



Based on 13,600 businesses with NAICS

Top 5 sectors by job count

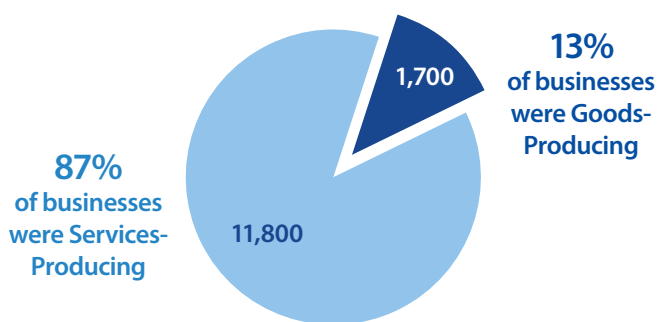
The top sector by total estimated job count in 2021 was the Manufacturing sector, representing 15.0 per cent of the total jobs estimated in Halton (35,140 jobs). The chart below provides the top 5 sector by job count.



Based on 234,800 jobs with NAICS

Goods vs. service producing businesses

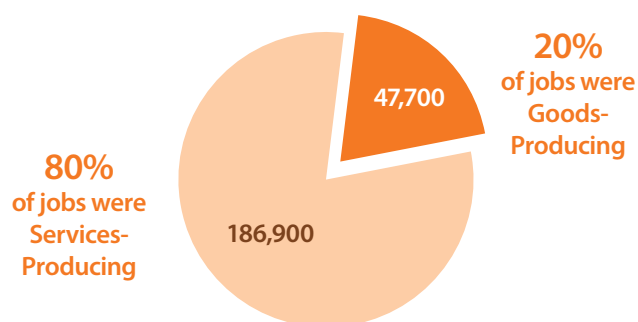
Of the 13,600 businesses identified within Halton Region in 2021, 13,500 businesses were generated by goods and service-producing sectors. The majority of businesses fell under service-producing sectors, representing 87 per cent (11,800 businesses). The remaining 13 per cent (1,700 businesses) were generated by goods-producing sectors.



Based on 13,500 businesses with NAICS

Goods vs. service producing jobs

Of the 234,800 jobs identified within Halton Region in 2021, 234,600 jobs were generated by goods and service-producing sectors. The majority of jobs were generated by service-producing sectors, accounting for 80 per cent (186,900 jobs). The remaining 20 per cent (47,700 jobs) were associated with goods-producing sectors.



Based on 234,600 jobs with NAICS

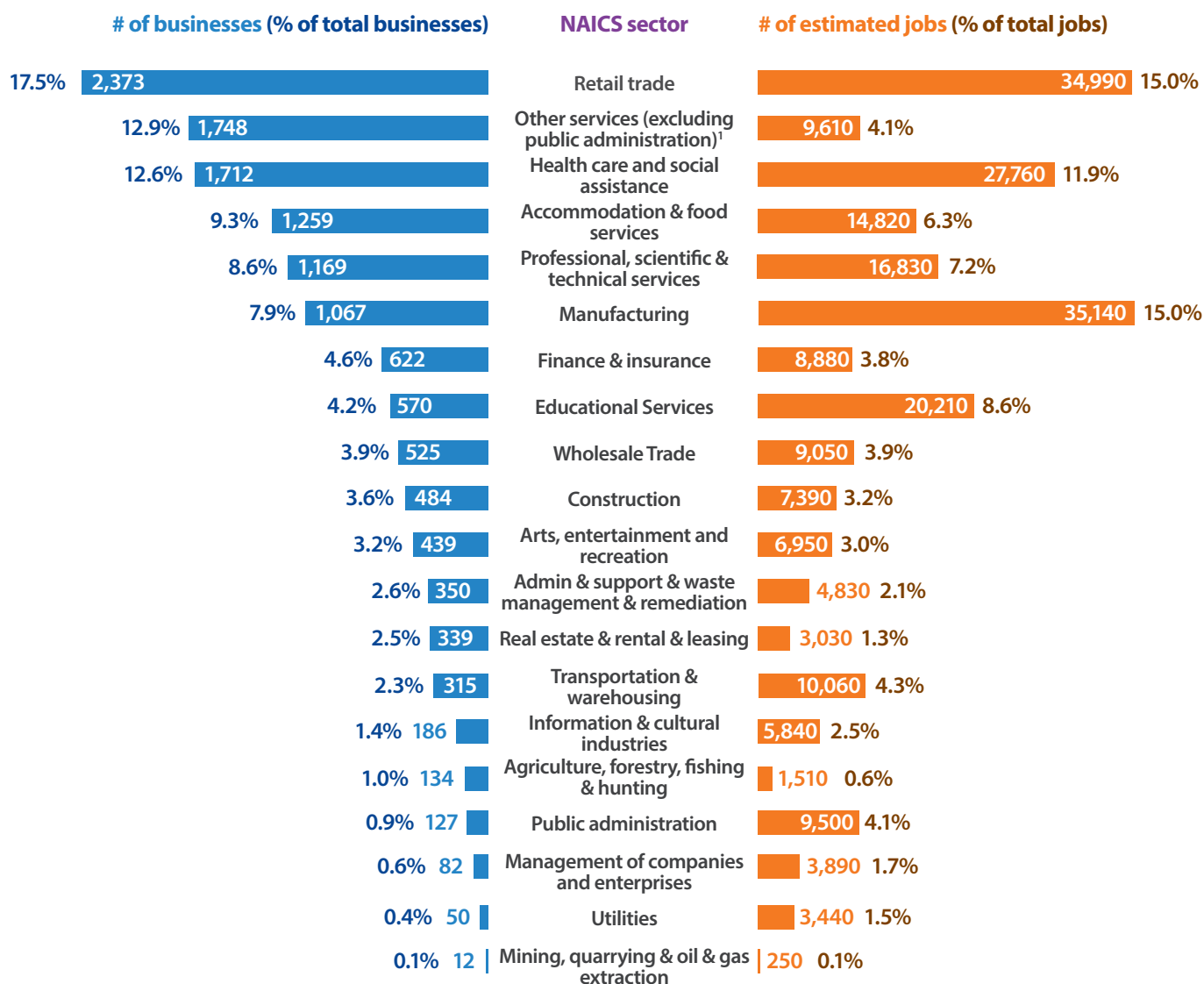
For descriptions of the NAICS sectors and the sectors associated with goods or service producing industries, refer to page 21 of this report.



Businesses and jobs: All sectors

Businesses and jobs by NAICS economic sectors

The graph below represents business and jobs identified in the 2021 Employment Survey results by the sectors as defined in the North American Industrial Classification System (NAICS). For a full description of the sectors, see page 21 of this report.



Based on 13,600 businesses with NAICS

1. Other Services (Except Public Administration) include businesses that are not classified in any other sector, such as repairing motor vehicles, machinery, or equipment; providing personal care services, funeral services, laundry services and other services to individuals, such as pet care services and photo finishing services; organizing and promoting religious activities; supporting various causes through grant-making, advocating (promoting) various social and political causes, and promoting and defending the interests of their members. As defined in the North American Industrial Classification System (NAICS).

Employment Areas: Highlights

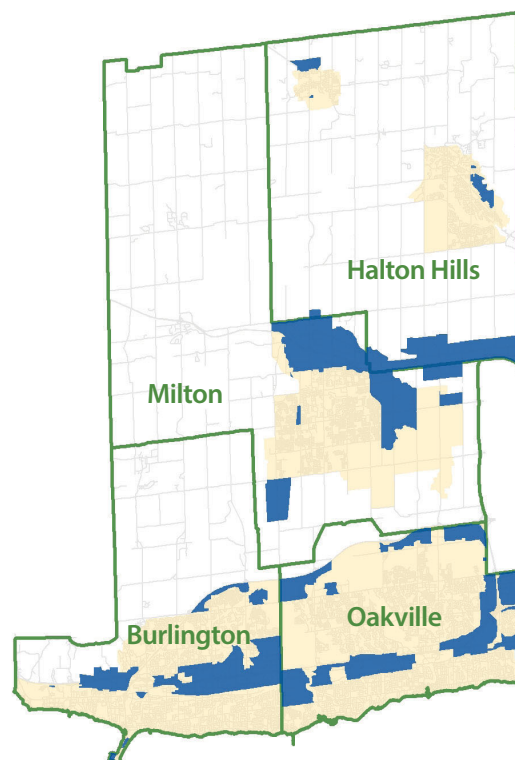


About Halton's Employment Areas

Under the Growth Plan for the Greater Golden Horseshoe (2019), the Province requires municipalities to designate Employment Areas within their official plans to protect and plan for employment uses over the long term.

Through the Regional Official Plan, Halton Region has identified Employment Areas to ensure sufficient lands are available to accommodate forecasted employment growth. These lands are also strategically identified and located based on their close proximity and access to existing major highway interchanges and rail yards.

 Employment Areas



Employment Area highlights

Due to their strategic location, as well as Regional policies that protect and support economic activities, Halton's Employment Areas are home to a significant portion of the Region's economic activities.

2021 Businesses Highlights in Employment Areas

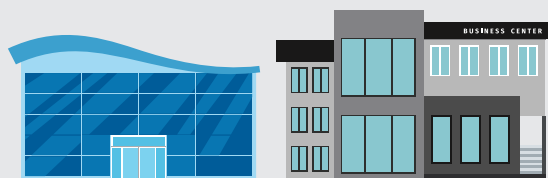
The 2021 Employment Survey identified 5,700 businesses located within Halton's Employment Areas, representing 41.7 per cent of total businesses identified in Halton Region.

5,700

Number of businesses identified in 2021 in Employment Areas

41.7%

Percentage of total businesses located in Employment Areas



2021 Jobs Highlights in Employment Areas

The 2021 Employment Survey estimated 119,800 jobs located within Halton's Employment Areas, representing more than half (51 per cent) of total jobs estimated in Halton Region.

119,800

Number of estimated jobs in 2021 within Employment Areas

51%

Percentage of total jobs located in Employment Areas



Employment Areas: Summary


5,700

Number of businesses identified in 2021 in Employment Areas

119,800

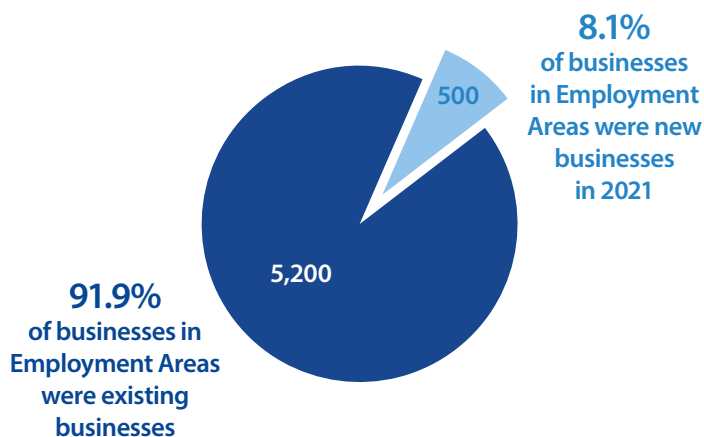
Number of jobs estimated in 2021 in Employment Areas

Businesses in Employment Areas by type

The 2021 Employment Survey identified a total of 13,600 businesses in Halton Region. Within the Employment Areas, the survey identified 5,700 businesses, representing 41.7% of the total businesses in Halton.

Of the 5,700 businesses identified in the Employment Areas, 91.9 per cent (5,200 businesses) were businesses identified in 2020 or earlier. The remaining 8.1 per cent (500 businesses) were newly identified businesses in the Employment Areas in 2021.

Businesses in Employment Areas by type



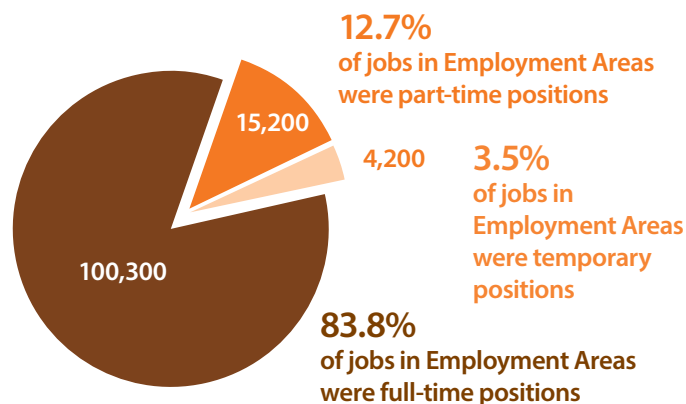
Based on 5,700 businesses in Employment Areas

Jobs in Employment Areas by type

The 2021 Employment Survey estimated a total of 234,800 jobs in Halton Region. Within the Employment Areas, the survey estimated 119,800 jobs, representing 51 per cent of the total jobs estimated in Halton.

Of the 119,800 jobs estimated in the Employment Areas, 83.8 per cent of the jobs were full-time positions¹ (100,300 jobs). The remaining 12.7 per cent (15,200 jobs) were part-time positions² and 3.5 per cent (4,200 jobs) were temporary positions³ in the Employment Areas.

Jobs in Employment Areas by type



Based on 119,800 estimated jobs in Employment Areas

1. Full-time positions are based on jobs that consist of 30 hours or more per week.

2. Part-time positions are based on jobs that consist of 30 hours or less per week.

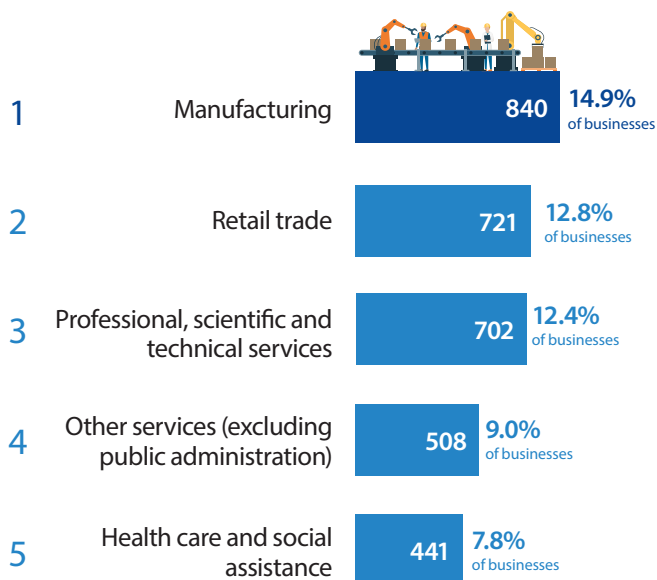
3. Temporary positions are based on jobs that are under a contract for a specific, limited amount of time, such as seasonal or holidays.



Employment Areas: Key Trends in 2021

Top 5 sectors by business count

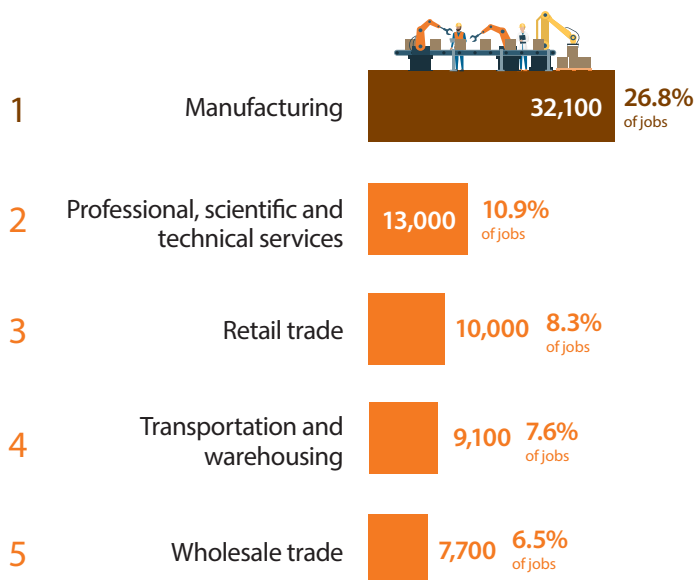
Within Halton's Employment Areas, the top sector by business count in 2021 was the Manufacturing sector, representing 14.9 per cent of the total businesses identified in Halton's Employment Areas (840 businesses). The chart below provides the top five sectors by business count.



Based on 5,204 businesses with identified NAICS in Employment Areas

Top 5 sectors by job count

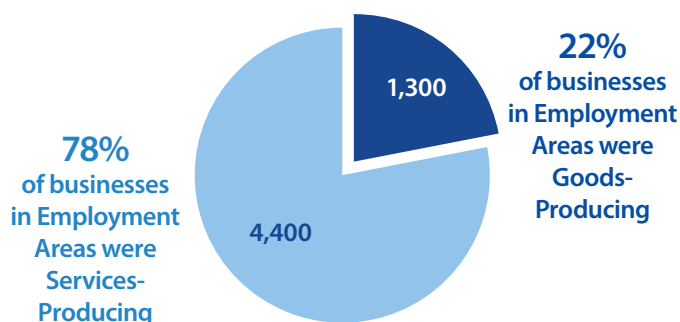
Within Halton's Employment Areas, the top sector by job count in 2021 was the Manufacturing sector, representing 26.8 per cent of the total jobs identified in Halton's Employment Areas (32,100 jobs). The chart below provides the top five sectors by job count.



Based on 5,204 businesses with identified NAICS in Employment Areas

Goods vs. service producing businesses in Employment Areas

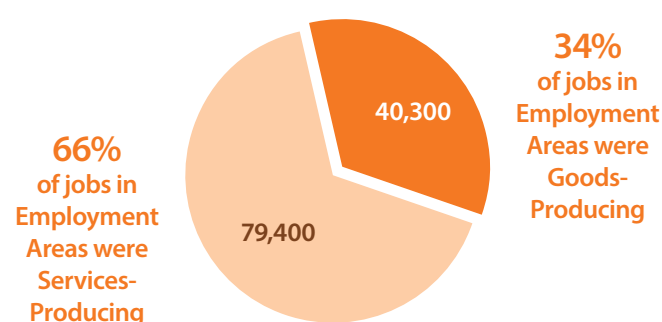
Of the 5,700 businesses identified within Halton's Employment Areas, the majority of businesses fell under service-producing sectors, accounting for 78 per cent (4,400 businesses). The remaining 22 per cent (1,300 businesses) of businesses were part of goods-producing sectors.



Based on 5,700 Businesses in Employment Areas

Goods vs. service producing jobs in Employment Areas

Of the 119,800 jobs identified within Halton's Employment Areas, the majority of jobs are associated with service-producing sectors, accounting for 66 per cent (79,400 jobs). The remaining 34 per cent (40,300 jobs) were associated with goods-producing sectors.



Based on 119,700 Jobs in Employment Areas

For descriptions of the NAICS sectors and the sectors associated with goods or service producing industries, refer to page 21 of this report.

Methodological and data notes

Annual survey of businesses in Halton

Halton's Employment Survey is an annual initiative to collect updated information on business and employment activities across the region. The survey includes all businesses that have a physical location within Halton and are visible to the general public with a business signage.

The survey collects information on business types and employment activities to help the Region:

- monitor economic and land use trends across the region;
- plan for future regional infrastructure and services; and
- assist in policy development and decision-making.

Participation in the survey is voluntary and the results presented in this report are based on the input of respondents.

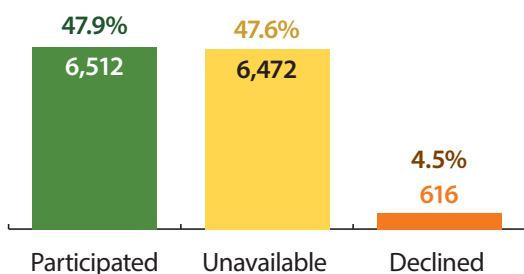
Survey participation rate

The 2021 Employment Survey identified a total of 13,600 businesses in Halton Region. The participation rate for the 2021 Employment Survey was as follows:

- 6,512 (47.9 per cent) businesses participated in 2021 and provided up-to-date information;
- 6,472 (47.6 per cent) businesses were unavailable to participate (i.e. business was not open at the time of survey, the survey contact was not available, etc.); and
- 616 (4.5 per cent) businesses declined to participate.

In cases where businesses were not available or declined to participate, information from the survey responses during previous survey year was carried over, where appropriate. In 2020, the participation rate was 40.3 per cent.

2021 Employment Survey participation rate



Based on 13,600 businesses identified

Survey methodology

As a result of the COVID-19 pandemic and its continued impacts on business operations and employment activities in Halton, the 2021 Employment Survey required cautious considerations to account for the challenges and limitations that the business communities in Halton faced.

The 2021 Employment Survey took place between May 12, 2021 and September 30, 2021. Under regular circumstances, businesses would typically be engaged in person; however, in consideration of the pandemic health and safety precautions, businesses were engaged remotely by phone calls or emails throughout the 2021 survey period.

Businesses were provided with a range of options to remotely participate in the 2021 Employment Survey including providing responses over the phone, returning an electronically completed survey questionnaire by email, or completing the online survey form available on **halton.ca**.

In order to visually verify and confirm business activities (i.e. business closures and new businesses), the team of Employment Surveyors conducted site visits throughout the survey period to visit all business locations in Halton. Site visits were completed while maintaining physical distancing and following all public health measures.

Understanding the importance of the survey, many businesses participated in the 2021 Employment Survey. The vast majority of businesses provided responses directly over the phone while others participated by email or by completing the online survey form. The methods of participation in the 2021 Employment Survey is summarized below:

1. 5,130 responses over the phone (78.8% of responses)

Majority of the businesses that responded in the 2021 Employment Survey provided responses directly over the phone. In these instances, businesses were engaged by phone calls from existing contact information during regular business hours with follow-up calls or voicemails, as appropriate.

2. 482 responses by email (7.4% of responses)

Where businesses could not be reached by phone or were not available at the time of the calls, businesses were engaged by emails from existing contact information. The emails included an electronic survey questionnaire attached and also directed businesses to the online survey form on **halton.ca**.

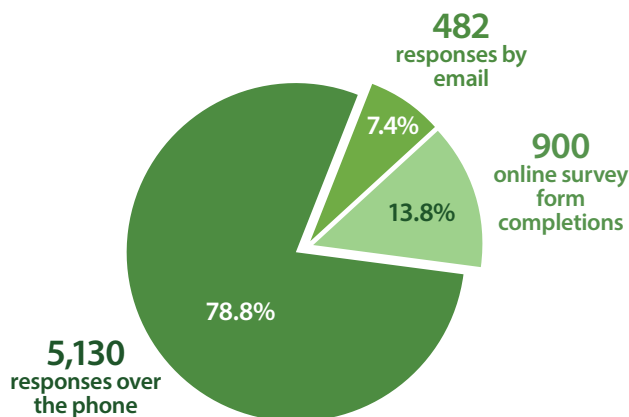
Methodological and data notes (continued)

3. 900 online survey form completions (13.8% of responses)

As part of engaging businesses by phone or by email, businesses were also provided with directions to complete the online survey form on **halton.ca** as an option to participate in the 2021 Employment Survey at their convenience. A link to the online survey form on **halton.ca** was also posted and made available on Halton's social media accounts.

Notes on business counts in 2021

2021 Employment Survey participation by type



Based on 6,512 responses

The 2021 Employment Survey conducted site visits of all business locations to visually confirm the business activities (i.e. business closures and new businesses). While efforts were made to complete site visits of all business locations in Halton to confirm the status of the business activities (i.e. business closures and new businesses), there were a few instances where it was not possible to complete the site visits safely (i.e. enclosed business spaces such as office buildings). In these instances, confirmation of business activities were completed remotely with the best information available such as confirmation through online research.

In addition, there were a number of instances where businesses were temporarily closed at the time of the site visits due to provincial orders or other reasons such as adjusted business hours. In these instances additional research confirmed that the businesses did not permanently close. Accordingly, these businesses were not indicated as business closures in 2021.

The 2022 Employment Survey will revisit all business locations to confirm the updated status at the time of the visit in 2022.

Notes on job counts in 2021

As a result of continued challenges related to COVID-19 impacts, the participation rate of 47.9 per cent (6,512 businesses) at the conclusion of the 2021 Employment Survey resulted in the remaining 52.1 per cent (7,088 businesses) of businesses not being updated with most current information.

In order to determine the total job count that would best reflect the most current circumstances, inferential statistics were used to make the best conclusion on the 7,088 businesses that did not provide updated information in 2021. In other words, sample statistics from the 6,512 businesses that responded were used to make conclusions on the remaining 7,088 businesses. Inferential statistics were conducted at the NAICS sector level based on best representation of the responses received.

Consequently, job counts highlighted and summarized in this report are based on estimates. The estimated job counts are rounded to the nearest 100 to reflect the estimation context.

The 2022 Employment Survey will revisit and reach out to all businesses to collect the most up-to-date information at the time of survey in 2022.

Data notes

The Employment Survey is a point-in-time survey based on voluntary participation. Accordingly, the data and results may not reflect the most current circumstances, particularly in certain industries experiencing rapid and frequent changes.

Halton Region does not warrant the completeness or accuracy of information contained in this report, and does not accept liability arising from the use or misuse of all or portions of such information. Caution should be used in interpreting the information in the report and making any conclusions.

Regional staff work to continually improve the quality of Employment Survey methodology. Please contact Planning Services at Halton Region with any questions or feedback.

Additional information

North American Industry Classification System (NAICS) Sectors and Description. Visit StatCan.gc.ca for more information on NAICS.

| Goods-Producing Industries | | |
|-------------------------------|---|---|
| NAICS Code | NAICS Sector | Description |
| 11 | Agriculture, Forestry, Fishing and Hunting | Growing crops, raising animals, harvesting timber, harvesting fish and other animals from their natural habitats and providing related support activities. |
| 21 | Mining, Quarrying, and Oil and Gas Extraction | Extracting naturally occurring minerals. Establishments performing similar activities, on a contract or fee basis, are also included. |
| 22 | Utilities | Operating electric, gas and water utilities. |
| 23 | Construction | Constructing, repairing and renovating buildings and engineering works, and in subdividing and developing land. |
| 31-33 | Manufacturing | Chemical, mechanical or physical transformation of materials or substances into new products. |
| Services-Producing Industries | | |
| NAICS Code | NAICS Sector | Description |
| 41 | Wholesale Trade | Wholesaling merchandise, generally without transformation, and rendering services incidental to the sale of merchandise. |
| 44-45 | Retail Trade | Retailing merchandise, generally without transformation, and rendering services incidental to the sale of merchandise. |
| 48-49 | Transportation and Warehousing | Transporting passengers and goods, warehousing and storing goods, and providing services to these establishments. |
| 51 | Information and Cultural Industries | Producing and distributing (except by wholesale and retail methods) information and cultural products. |
| 52 | Finance and Insurance | Engaging in financial transactions or in facilitating financial transactions (involving the creation, liquidation, or change in ownership of financial assets). |
| 53 | Real Estate and Rental and Leasing | Renting, leasing, or otherwise allowing the use of tangible or intangible assets. |
| 54 | Professional Scientific and Technical Services | Engaging in activities in which human capital is the major input. |
| 55 | Management of Companies and Enterprises | Managing companies and enterprises and/or holding the securities or financial assets of companies and enterprises, for the purpose of owning a controlling interest in them and/or influencing their management decisions. |
| 56 | Administrative and Support, Waste Management and Remediation Services | Engaging in activities that support the day-to-day operations of other organizations or waste management activities. |
| 61 | Educational Service | Providing instruction and training in a wide variety of subjects. |
| 62 | Health Care and Social Assistance | Providing health care by diagnosis and treatment, providing residential care for medical and social reasons, and providing social assistance, such as counselling, welfare, child protection, community housing and food services, vocational rehabilitation and child care, to those requiring such assistance. |
| 71 | Arts, Entertainment and Recreation | Operating facilities or providing services to meet cultural, entertainment and recreational interests of their patrons. |
| 72 | Accommodation and Food Services | Providing short-term lodging and complementary services to travelers, vacationers and others. |
| 81 | Other Services (Except Public Administration) | Not classified in any other sector. Repairing motor vehicles, machinery, or equipment; providing personal care services, funeral services, laundry services and other services to individuals, such as pet care services and photo finishing services; organizing and promoting religious activities; supporting various causes through grant-making, advocating (promoting) various social and political causes, and promoting and defending the interests of their members. |
| 91 | Public Administration | Engaging in activities of a governmental nature. |



VIA EMAIL

August 17, 2022

Legislative & Planning Services
Department
Office of the Regional Clerk
1151 Bronte Road
Oakville ON L6M 3L1

Kevin Arjoon, City Clerk, City of Burlington
Meaghan Reid, Town Clerk, Town of Milton
Vicki Tytaneck, Town Clerk, Town of Oakville
Valerie Petryniak, Town Clerk, Town of Halton Hills

Please be advised that at its meeting held Wednesday, July 13, 2022, the Council of the Regional Municipality of Halton adopted the following resolution:

RESOLUTION: MO-09-22 - Update on COVID-19 Public Health Recovery

1. THAT Report No. MO-09-22 re: "Update on COVID-19 Public Health Recovery" be received for information.
2. THAT the Regional Clerk forward a copy of Report No. MO-09-22 to the City of Burlington, Town of Halton Hills, Town of Milton and Town of Oakville for their information.

Included please find a copy of Report No. MO-09-22 for your information.

If you have any questions please contact me at the e-mail address below.

Sincerely,

A handwritten signature in blue ink, appearing to read "G. Milne", written over a light blue circular stamp.

Graham Milne
Regional Clerk
graham.milne@halton.ca

Regional Municipality of Halton

HEAD OFFICE: 1151 Bronte Rd, Oakville, ON L6M 3L1
905-825-6000 | Toll free: 1-866-442-5866

| | |
|------------|---|
| Report To: | Regional Chair and Members of Regional Council |
| From: | Hamidah Meghani, Commissioner and Medical Officer of Health |
| Date: | July 13, 2022 |
| Report No: | MO-09-22 |
| Re: | Update on COVID-19 Public Health Recovery |

RECOMMENDATION

1. THAT Report No. MO-09-22 re: "Update on COVID-19 Public Health Recovery" be received for information.
2. THAT the Regional Clerk forward a copy of Report No. MO-09-22 to the City of Burlington, Town of Halton Hills, Town of Milton and Town of Oakville for their information.

REPORT

Executive Summary

- Over the past two years, Halton Region Public Health's (Public Health) COVID-19 response efforts have required a significant reduction or interruption to other public health programs and services.
- On October 20, 2021, five prioritized health issues for Public Health recovery were presented to Regional Council: the Ontario Seniors Dental Care Program (OSDCP), immunization catch-up for school-aged children, mental health promotion, early years (0 to 6 years) growth and development and alcohol use.
- Extensive planning is underway for the OSDCP and immunization catch-up for school-aged children (Report No. MO-10-22 re: "Oral Health Update" and Report No. MO-11-22 re: "Immunization Program Update").
- Public Health staff have completed research reviews on the topics of mental health promotion, early year's growth and development and alcohol use, to identify evidence-informed recommendations that Public Health, in collaboration with community partners, can implement to address these health issues.

- Public Health will continue to monitor population data on health issues to determine community need. In 2022 and 2023, Public Health will determine the prioritization of the recommendations in this report, continue to meet with relevant community partners to further assess need and develop operational plans.

Background

In response to the COVID-19 pandemic, Halton Region Public Health (Public Health) provided leadership and essential services to protect the health of Halton residents. Public Health, along with other local public health departments, served as the backbone of Ontario's pandemic response.

Public Health:

- managed 49,779 lab-reported cases of COVID-19 among Halton residents and associated high-risk contacts and 630 outbreaks at various settings (i.e., workplaces, community settings, congregate living and institutional settings, schools, and child care facilities) from March 2020 to June 7, 2022;
- distributed over 1.3 million doses of COVID-19 vaccinations, resulting in 92% of Halton residents (12 years and older) having received at least two doses; and,
- developed and maintained COVID-19 webpages on Halton.ca resulting in over 20 million visits to webpages in 2021-2022 representing 75% of all visits to Halton.ca in 2021.

This response was vital to the management of COVID-19 in our community. To meet the demands of the COVID-19 pandemic Public Health had to pause or radically reduce many mandatory Ontario Public Health Standards (OPHS) programs and services over the past two years. This change caused an increase in unmet needs and a backlog of services, including missed immunizations for students, lack of dental screening in schools, and missed opportunities for health promotion in schools and the community to address issues such as mental health promotion, children's growth and development, and substance use. For more information about clearing the backlog in public health, resuming routine programs and maintaining an effective COVID-19 response, refer to the Association of Local Public Health Agencies' (alPHA's) [report](#) and [video](#).

Public Health's transition to recovery while the pandemic continues will require careful management of competing pressures and priorities. Public Health will need to find a balance between the need for continued response to the pandemic (i.e., ongoing vaccinations, case, contact and outbreak management, communications, etc.) and the need to begin recovering from the pandemic by resuming public health programs and services that address ongoing and emerging health needs.

The pandemic exacerbated underlying health inequities in our community, with marginalized individuals (socially, economically, culturally and racially) being disproportionately affected in terms of infection rates and by pandemic control measures

themselves (e.g., job loss, loss of income, poor mental health, etc.). Understanding the adverse impacts of the pandemic and how they are experienced unevenly across our community is critical to informing how public health can contribute to and promote recovery for all. There is a unique opportunity to apply lessons learned during the pandemic, to adjust programs and services to meet emerging health needs and to better address health equity.

On October 20, 2021, five prioritized health issues for Public Health recovery, in no specific order, were presented to Regional Council:

- Mental health promotion;
- Early years (0-6 years) growth and development;
- Alcohol use;
- The Ontario Seniors Dental Care Program (OSDCP); and
- Immunization 'catch-up' for school aged children.

The purpose of this report is to share recommendations from three research reviews that explored the former three prioritized issues (mental health promotion, early year's growth and development and alcohol use). In May 2022, Public Health staff engaged partners (Halton publicly funded school boards, Reach Out Centre for Kids, Our Kids Network, ErinoakKids, Halton Children's Aid Society, CSWB Action Tables and Halton Region Human Resources Division and Social and Community Services Department) to discuss report recommendations, determine which of the research recommendations were already taking place in Halton and to explore opportunities for collaboration. Updates on the remaining two topics (immunization 'catch-up' and the OSDCP) can be found in Report No. MO-10-22 re: "Oral Health Update" and Report No. MO-11-22 re: "Immunization Program Update".

Discussion

Mental Health Promotion

One of the most significant incidental impacts of the COVID-19 pandemic is on mental health. In the fall of 2020, 52% of Halton adults surveyed reported their overall mental health and well-being worsened due to the pandemic, and national level data suggests that the mental health of Canadians continues to decline as the pandemic endures.¹ Research related to the mental health effects from other large-scale traumatic events, including previous pandemics, indicates that mental health impacts can persist for prolonged periods of time even after the event itself has ended.²

During the pandemic, many risk factors associated with worse mental health, including social isolation,³⁻⁵ inadequate housing,^{6,7} family conflict and violence,^{3,6,8-9} loss of employment and reduced income^{3,5-8} were exacerbated, increasing the risk of poor mental health outcomes in the community. Meanwhile, many protective factors, including physical activity,^{4,6,10} supportive environments (e.g. safe and inclusive spaces, healthy

policies)^{5,8,11-12} and social support and connectedness^{3-5,7-13} were reduced or impacted by COVID-19 restrictions, further challenging the resiliency of the population.

Certain groups were identified to be at an even greater risk of negative mental health outcomes during the COVID-19 pandemic. These groups include: children, younger adults (<35 years old), females, pregnant or postpartum individuals, parents (especially those with younger children), those with a pre-existing mental health condition, those who are gender diverse or LGBTQ2+, those who identify as a visible minority, Indigenous peoples, and health care workers. Each of these groups had either unique stressors related to the pandemic that increased their risk for negative mental health outcomes or existing risk factors that were exaggerated during the pandemic. Findings from Report No. SS-16-22 re: “The Halton Youth Impact Survey - Mental Health” further supports that youth mental health in Halton region worsened during the pandemic.

An updated review of guidelines and literature from academic and governmental sources was completed in order to identify effective public health interventions to promote mental health and prevent mental illness across the lifespan. The interventions identified are:

Mental well-being of school-aged children and adolescents:

- Public Health, in collaboration with school and community partners, will continue to support ongoing surveillance of the mental well-being of students and school staff at the population level. Existing surveys conducted by school and community partners may contribute to this recommendation (e.g., “Tell Them From Me”[®], Ontario Student Drug Use Survey for students in grades 9-12, Halton Youth Impact Survey, Kindergarten Parent Survey, and Early Development Instrument[®]). Our Kids Network, local school boards and Public Health have a leadership role in ensuring alignment of surveys to gain meaningful information that will assist with future programs and services for school-aged children and their families.
- Halton schools are actively addressing student mental health utilizing resources from School Mental Health Ontario. Based on need, Public Health will provide assistance to schools related to planning, implementing and evaluating evidence-informed mental health promotion and mental illness prevention initiatives.
- Where needed, Public Health will facilitate partnerships between school boards and lead mental health agencies (e.g., Reach Out Centre for Kids, Halton Healthcare Child and Adolescent Mental Health Services, Canadian Mental Health Association, etc.) to optimize available mental health supports for students both internal and external to the school environment.
- Public Health will raise awareness and understanding about existing mental health referral pathways, such as, the new model of [Access and System Navigation](#) established by ROCK and Community Safety and Well-Being (CSWB)–[“Enhancing access to mental health supports for children and youth”](#) Action Table, to link at-risk

children and adolescents to local mental health services and supports and continue to monitor community needs.

- Public Health will advocate for the training of community partners who interact with the school-aged population and caregivers to support the early identification and referral of children and adolescents who are at-risk for poor mental health.
- Public Health will continue to provide parenting education and support to Halton caregivers of children and youth over six years of age virtually through [HaltonParents](#) and one-on-one through Healthy Families Information Team. Public Health will explore offering online, group-based parenting interventions led by community nurses.

Mental well-being of adults in the workplace:

- Public Health will explore advocating at provincial and local tables for policies that promote workplace mental health and support related training and education for local businesses.
- Public Health will continue to support Halton Region in implementing evidence-informed mental health promotion workplace strategies, including:
 - auditing workplace policies and procedures to ensure they support employee mental health;
 - training managers on effective management styles that support employee optimal mental health and how to respond to, and support, an employee with emotional concerns;
 - conducting regular employee mental health and stress risk assessments; and
 - implementing evidence-informed interventions based on risk assessment outcomes.

For more information on Halton Region's workplace mental health promotion initiatives currently underway, please refer to Report No. LPS56-22 re: "My Wellness Update".

Mental well-being of older adults:

- Public Health will continue to collaborate with community partners (e.g., Community Development Halton, Links2Care, Halton Age-Friendly Network, etc.) to monitor the mental health of older adults in Halton region at a population level.
- Public Health will work with community partners (e.g., CSWB-["Reducing isolation among older adults"](#) Action Table, etc.) to conduct an assessment of local services to identify gaps in available programming for older adults' mental well-being.
- Where needed, Public Health will support community partners in planning, implementing and evaluating evidence-informed interventions that promote the mental health of older adults.

- Public Health will advocate for the training of community partners who work with older adults to support the early identification of those at-risk for mental illness and provide information about local mental health supports and services. This recommendation aligns with the work of the CSWB—[“Reducing isolation among older adults”](#) Action Table.

Community mental well-being:

- Public Health will explore ‘boosting’ existing mental health promotion messages that increase knowledge, address stigma and encourage help seeking behaviours.
- Public Health, with community partners (e.g., municipalities, schools, CSWB, etc.) will support initiatives that promote access to and participation in physical activity across the lifespan, with a focus on removing barriers and increasing participation among vulnerable groups. Public Health will encourage schools and community partners to include mental health outcomes in the evaluation of any physical activity program.
- Public Health will explore opportunities for demonstrating the health benefits, including mental well-being, related to access to green spaces, safe play spaces for children, and age-friendly elements in community facilities, design and open.
- Where needed, Public Health will advocate for staff employed by health, social and community service organizations to be trained on mental health literacy and trauma-informed care.

Early Years Growth and Development

Children’s early life experiences set a foundation for their entire life course. Research has shown that early experiences shape the developing brain and provide the foundation for an individual’s mental health and well-being.¹⁴⁻¹⁶ The skills developed in the first six years of a child’s life are linked to their later success in school, work and ability to form healthy relationships.^{14,16}

Over the course of the COVID-19 pandemic, parents and families of infants and young children had to balance multiple roles and responsibilities, while dealing with disruptions to their finances, social supports, family routines, child care, and schooling.^{17,18} During this time, parents reported difficulty in managing their children’s behaviour, anxiety and/or depression,¹⁷⁻²¹ and reported rates of parental stress and depression have increased. These reports are concerning as parental stress was a notable mediator between pandemic control measures and negative child outcomes.^{17-19, 21-23} Additionally, child maltreatment may have been under-reported during school closures and online learning as school settings are often key to reporting potential abuse.^{19,20} Many parents also reported delaying preventative health measures (e.g. immunizations) out of fear of acquiring COVID-19.¹⁹

Pandemic control measures intended to keep families safe during the pandemic led to unintended adverse impacts for some, with the potential of compromising children's growth and development.^{17-20, 23-25} It is important to note that the risk to child development caused by the COVID-19 pandemic has been disproportionate across socio-economic, gendered, and racialized lines, amplified by the inadequacies and disruptions to early childhood education, child care and schools.¹⁷⁻²⁰ Many families in our community will have experienced greater adversity including racialized, Indigenous, single parents, low-income populations and those living with mental illness or developmental disabilities.^{17,26} The consequences of adverse experiences resulting from pandemic control measures may not be evident for years to come and could lead to irreversible effects for this generation of children.^{19,26}

A review of guidelines and literature from academic and governmental sources was completed to identify effective, population-level interventions to support optimal child social, emotional, cognitive and physical development. The interventions identified are:

- Public Health, in collaboration with community partners (e.g., Our Kids Network, school boards, CSWB Data and Decision Support Group, Halton Region Social and Community Services (Children's Services Division), ErinoakKids, etc.), will continue to support surveillance on a broad range of indicators that monitor children's social-emotional, cognitive and physical development, social determinants of health and adverse childhood experiences (ACEs). Surveillance data (e.g. Early Development Instrument® and the Kindergarten Parent Survey) will be used to target interventions aimed at improving outcomes for children and families most at-risk for poor outcomes.
- Public Health will raise community awareness in organizations who work with young families about the impacts of ACEs and establish ACE-aware policies. This can be accomplished by providing trauma-informed care, addressing upstream sources of stress and ensuring all areas of child development, inclusive of children's social-emotional development, are considered. This recommendation builds on work currently being undertaken by the Halton Early Years Mental Health Committee and involves partners such as Our Kids Network, Halton Region Social and Community Services (Children's Services Division), Halton Children's Aid Society and Halton EarlyON Child and Family Centres.
- Public Health will establish policies and procedures on the screening of children's growth and development to facilitate early identification of developmentally vulnerable children. Public Health will advocate for community partners to also establish screening policies and procedures. Policies and procedures should provide guidance on the use of validated and reliable measurement tools that are culturally inclusive where possible, include care pathways, and be inclusive of the mental health of caregivers.
- Public Health will continue to provide evidence-informed prenatal education interventions available to all parents and caregivers in Halton region.

- Public Health will continue to provide pre- and post-natal home visiting for vulnerable children and their families through the Healthy Babies Healthy Children program.
- Public Health will continue to provide parent education interventions that target families and children most at-risk for poor outcomes.
- Public Health will explore providing culturally appropriate, evidence-informed universal parenting education interventions that promote positive parenting and healthy child development. Where possible, Public Health will seek to collaborate with community partners on the delivery of these interventions (e.g., EarlyON Child and Family Centres, Reach Out Centre for Kids, Halton Region Social and Community Services (Children's Services Division), and settlement agencies).
- Public Health, will explore promoting messaging in collaboration with community partners (e.g., Halton Region Social and Community Services (Children's Services Division), developmental services, EarlyON Child and Family Centres, health care providers, licensed childcare providers) that:
 - raise awareness about ACEs and their impact on child development;
 - encourage families to participate in the Ontario Enhanced 18-Month Well-Baby Visit and complete age-appropriate Looksee® checklists to identify and connect developmentally vulnerable children and their families to supports; and
 - promote positive parenting practices and engagement in parenting programs.
- Public Health will continue to support community partners to advocate for policies that reduce disparities in health status and promote children's development and caregiver well-being (e.g., income supports, affordable housing, access to local, affordable, high-quality child care and access to developmental services).
- Where needed, Public Health will collaborate with community partners (e.g. Halton Region Social and Community Services (Children's Services Division), EarlyON Child and Family Centres, College of Early Childhood Educators) on Early Childhood Educator (ECE) curriculum and continuous professional development that promotes all areas of healthy child development.

Alcohol Use

Alcohol consumption is a leading risk factor for disease, disability, and premature death in Canada.²⁷ In 2020 alone, alcohol was linked to 7,000 new cancers in Canada, including 24 percent of breast cancer cases and 20 percent of colon cancer cases.²⁸ Unlike other substances, alcohol consumption is such an accepted part of our culture and society that the harms created by alcohol use are often overlooked.²⁹ Approximately 78% of Canadians aged 15 and over reported drinking alcohol at least once in the last year.³⁰ Given the burden of health and social harms associated with alcohol consumption, there

is a need for public health to raise the profile of alcohol consumption as a public health issue and to shift societal norms towards a culture of moderation.²⁹

During the COVID-19 pandemic, up to one quarter of Canadians increased their alcohol consumption.³¹⁻³³ In addition, Canadians who had increased their alcohol consumption were most likely to report frequent heavy drinking, defined as five or more drinks per occasion, at least once per week, in the past 30 days.³¹ This is concerning for Public Health as Halton residents have historically exceeded Canada's Low Risk Alcohol Drinking Guidelines at a rate that is greater than the provincial average (refer to Council Report #MO-06-20 re: "Alcohol in Halton").³⁴ The leading reasons for increased alcohol consumption during the pandemic were a lack of regular schedule, boredom, stress and loneliness, while the leading reasons for decreased alcohol consumption were fewer social gatherings or opportunities to socialize, and a desire to maintain good health.^{31,33}

An updated review of guidelines and academic sources was completed to identify effective interventions for shifting awareness, attitudes and social norms regarding alcohol use. The interventions identified are:

- Public Health will continue to work with community partners through the CSWB-["Reducing harmful alcohol consumption"](#) Action Table, to gather surveillance data to assess local consumption patterns, as well as knowledge and attitudes towards alcohol in Halton.
- When addressing the population as a whole, Public Health will encourage the development of municipal alcohol policies (policies that apply to municipally owned properties) and advocate for more stringent provincial policies (through provincial public health organizations, community partners and other health units) to reduce alcohol consumption and alcohol-related harms. This recommendation aligns with work that was previously underway with the CSWB-["Reducing harmful alcohol consumption"](#) Action Table and the [Ontario Public Health Association \(OPHA\) Alcohol Workgroup](#) as well as alcohol policy changes implemented by the City of Burlington (e.g., fencing perimeters, hours of service, and minimum pricing).
- Public Health, in collaboration with community partners and other public health units, will explore promoting messaging to increase awareness of chronic disease health risks due to alcohol consumption and shift attitudes and norms regarding alcohol use. Messages will focus on areas where public knowledge is low and/or to enhance the effectiveness of local policies.
- Public Health, in collaboration with community and healthcare partners, will explore promoting the use of existing, evaluated digital and mobile interventions, as part of broader efforts directed at those who exceed Canada's Low-Risk Alcohol Drinking Guidelines, and to populations under 45 years of age.
- Where needed, Public Health will collaborate with school partners to explore interventions that take place in the school and home settings. Public Health will work

with school partners to align education interventions (e.g., curriculum) delivered in the school setting with interventions delivered in the home. This recommendation builds on work of the CSWB-[“Reducing harmful alcohol consumption”](#) Action Table.

Recovery planning will provide an important foundation for Public Health programs to address post-pandemic health needs utilizing evidence-informed interventions available to public health. However, recovery is a multi-year process, with some recommendations requiring more time to implement than others. Public Health will continue to monitor population health surveillance data on health issues to determine ongoing community need. In 2022 and 2023, Public Health will determine the prioritization of the recommendations in this report and continue to meet with relevant community partners to further assess need and develop operational plans. Public Health will provide an update to Regional Council in 2023 on progress to address the five health issues identified as strategic priorities for public health recovery.

FINANCIAL/PROGRAM IMPLICATIONS

There are no direct financial implications associated with this report. Costs associated with Public Health's recovery from the pandemic will be addressed in the 2023 budget process.

Respectfully submitted,



Susan Alfred
Director, Healthy Families



Hamidah Meghani, MD
Commissioner and Medical Officer of Health

Approved by



Jane MacCaskill
Chief Administrative Officer

If you have any questions on the content of this report,
please contact:

Susan Alfred

Tel. # 7223

Attachments: None

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VIA EMAIL

August 17, 2022

Legislative & Planning Services
Department
Office of the Regional Clerk
1151 Bronte Road
Oakville ON L6M 3L1

Kellie McCormack, Conservation Halton
Joshua Campbell, Credit Valley Conservation
Samantha Lawson, Grand River Conservation Authority
Heather Watt, Ministry of Municipal Affairs and Housing
Kevin Arjoon, City Clerk, City of Burlington
Meaghen Reid, Town Clerk, Town of Milton
Vicki Tytaneck, Town Clerk, Town of Oakville
Valerie Petryniak, Town Clerk, Town of Halton Hills

Please be advised that at its meeting held Wednesday, July 13, 2022, the Council of the Regional Municipality of Halton adopted the following resolution:

RESOLUTION: LPS62-22 - Regional Initiatives - Provincial Streamline Development Approval Fund

1. THAT Regional Council authorize a single source award to Computronix (Canada) Ltd. for up to \$500,000 to supply professional services and software development for the execution of projects identified under the Streamline Development Approval Fund (SDAF) requirements and timelines and Development Application Tracking System (DATS) Phase 3 initiatives.
2. THAT the Regional Clerk forward a copy of Report No. LPS62-22 to the City of Burlington, the Town of Halton Hills, the Town of Milton, the Town of Oakville, Conservation Halton, Credit Valley Conservation, Grand River Conservation Authority, and the Ministry of Municipal Affairs and Housing for their information.

Included please find a copy of Report No. PW-62-22 for your information.

If you have any questions please contact me at the e-mail address below.

Sincerely,

Graham Milne
Regional Clerk
graham.milne@halton.ca

Regional Municipality of Halton

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| | |
|------------|---|
| Report To: | Regional Chair and Members of Regional Council |
| From: | Bob Gray, Commissioner, Legislative and Planning Services and Corporate Counsel |
| Date: | July 13, 2022 |
| Report No: | LPS62-22 |
| Re: | Regional Initiatives - Provincial Streamline Development Approval Fund |

RECOMMENDATION

1. THAT Regional council authorize a single source award to Computronix (Canada) Ltd. for up to \$500,000 to supply professional services and software development for the execution of projects identified under the Streamline Development Approval Fund (SDAF) requirements and timelines and Development Application Tracking System (DATS) Phase 3 initiatives.
2. THAT the Regional Clerk forward a copy of Report No. LPS62-22 to the City of Burlington, the Town of Halton Hills, the Town of Milton, the Town of Oakville, Conservation Halton, Credit Valley Conservation, Grand River Conservation Authority, and the Ministry of Municipal Affairs and Housing for their information.

REPORT

Executive Summary

- In January 2022, the Provincial Government announced more than \$45 million for a new Streamline Development Approval Fund to support Ontario's 39 largest municipalities. Halton Region will receive \$500,000 to undertake streamlining initiatives related to development review and approvals.
- Halton Region has developed a new Digital Strategy to achieve objectives within the Region's 2019 – 2022 Strategic Business Plan, including "Transform service delivery through continuous innovation leveraging technology and data", within the Effective Government theme.

- The Provincial Streamline Development Approval Fund provides an opportunity to advance digital service improvements related to development review processes at the Region.
- As required by the funding granted through the Streamline Development Approval Fund, Halton Region is required to undertake one or more of the eligible projects identified by the Region with spending associated with the project(s) to be completed prior to the deadline of February 28, 2023.
- This report provides information on how the Region is allocating the Provincial funding to undertake key projects that will streamline development review process, enhance the Region's development application tracking, review and workflow software, and provide staff training and expand the Region's digital review and digital intake capabilities.
- This report seeks Regional Council authorization for a single source award to the Region's provider of development review workflow software, Computronix (Canada) Ltd., to complete enhancements of the POSSE software platform, to implement eligible projects under the Streamline Development Approval Fund and Development Application Tracking System (DATS) Phase 3 initiatives.
- Halton Region's Purchasing By-law No. 74-15, as amended, requires Regional Council approval where the total cost of goods and services for a single source purchase exceeds \$100,000.

Background

On January 19, 2022, the Province announced \$45 million for a new Streamline Development Approval Fund accessible by Ontario's 39 largest municipalities that are eligible for the Audit and Accountability Fund. The funding was announced during the Ontario Municipal housing summit, and is part of the Provincial response to the housing crisis by coordinating efforts to increase the supply of homes across the province. The Province has identified that this funding can be used to modernize, streamline, and accelerate processes for managing and approving housing applications. A list of eligible projects is included as Attachment #1 to this report.

Following the Provincial announcement, Halton Region requested access to the fund and was granted \$500,000, with the first of two payments of \$250,000 having been paid through a Transfer of Payment agreement. In addition, The Town of Milton, Town of Oakville and City of Burlington have each been granted \$1,000,000 in Provincial Streamline Development Approval Funding.

Relationship of the Streamline Development Approval Fund Objectives to Bill 109

Bill 109, the *More Homes for Everyone Act, 2022* was introduced on March 30, 2022 and received Royal Assent on April 14, 2022. Bill 109 made changes to the Planning Act

related to a number of planning application processes, parkland dedication, community benefits charges, and financial instruments used to secure obligations in connection with land use planning approvals.

Of particular interest are the provisions related to timeliness of development review, which include requirements for municipalities responsible for decisions on planning applications to gradually refund application fees to applicants who do not receive a decision on their zoning by-law amendment applications or approval of their site plan applications within the legislated timelines. This would apply to applications made on or after January 1, 2023.

Given these and other changes within Bill 109, and the Region's role as a commenting and review agency in the local planning processes, it is important that in all circumstances the Region works with its local municipal partners to enable the ability for timely decisions. While this is not a new objective, there are areas of the development review process that can be enhanced to support this outcome.

Halton Region has developed a new Digital Strategy, approved by Council through Report No. ST-07-21 re: "Digital Strategy and Audit and Accountability Fund Update", on October 20, 2021. It serves to implement objectives within the Region's 2019 – 2022 Strategic Business Plan, including, "Transform service delivery through continuous innovation leveraging technology and data" as a component of effective government. The POSSE Land Management System platform is identified in that report as Halton Region's major software platform for supporting land development, guiding workflows from planning applications through to the maintenance and assumption of developer-built Regional infrastructure.

Discussion

This section of the report describes the range of initiatives identified to support further streamlining of development review processes at Halton Region which are being paid for through the Provincial funding. All of the projects being considered will contribute to improved review timeliness and are highlighted below. They include:

- Development review process enhancements to the Region's development application workflow, review and tracking software;
- Enhancing application monitoring functions and oversight of application review for staff and management through implementing the use of analytical dash board tools, overdue prompts and enhancements to priority project review;
- Digitization of additional development review processes including Environmental Compliance Approvals process and the Regional inspection process;
- Updates to existing and/or creation of new development review process manuals, standardized conditions and templates;
- Investing in workshops and technical skills development related to development review and applicable software training;

- Reviewing the scope of applications circulated to Halton Region and developing exemption criteria where applicable; and
- Developing an online application submission portal for engineering review.

The Province has confirmed through a June 17, 2022 correspondence that all projects proposed by the Region meet the eligibility criteria for funding.

Further, there is an opportunity to ensure all of these initiatives are supporting the goals and objectives of other important priorities of the Region. These other initiatives are Halton Region's Digital Strategy, which provides a framework to align people, processes, data and technology, required to achieve digital service transformation and the Region's Memorandum of Understanding for an Integrated Halton Area Planning System (MOU), which provides for the provision of integrated and seamless planning in Halton with Halton's local municipalities and conservation authorities.

Co-ordination with Local Municipal and Conservation Authority Partners

As previously noted, the Town of Milton, the Town of Oakville and the City of Burlington have each been granted \$1,000,000 in Provincial Streamline Development Approval Funding. Streamlining and coordination efforts related to development review are discussed and managed through the Area CAOs, Halton Planning Directors and the Halton Area Development Managers groups, which include representatives from the local area municipalities as well as conservation authorities. Where possible the Region will complement and coordinate with the local municipal streamlining efforts and work plans being advanced.

Projects and Overall Objectives

Generally, projects must be able to address and improve the commenting timeframes and requirements in line with Bill 109 and in accordance with identified MOU targets. As part of ongoing continuous improvement efforts, staff will be undertaking a review of the MOU timeliness targets in relation to the new legislated timeframes to determine if any adjustments or clarification to the targets are required. Additionally, commitments to digital-first service delivery and Halton Region's Digital Strategy are being advanced as the projects focus on digital service design, business process improvements, improved data collection and consistency as well as implementing automation where possible.

A number of the proposed initiatives are currently underway or will soon launch with the support of staff in Legislative and Planning Services, Digital and Information Services, Finance and Public Works. Spending associated with the initiatives will be complete before the Streamline Development Approval Fund deadline of February 28, 2023, with implementation of some projects extending beyond the funding expiry date.

Anticipated Purchase from Computronix (Canada) Ltd. for POSSE Enhancements

A variety of purchases will occur to implement Streamline Development Approval Fund projects for services such as consultant expert support, training, manual and guideline preparation and facilitation. All purchases will comply with the Halton Region Purchasing By-law 74-15, as amended. A major component of work that will leverage the Streamline

Development Approval Fund are expansions and enhancements to Halton Region's development workflow software, POSSE. The cost anticipated to complete software work requires Council approval to proceed.

A negotiated Request for Proposal (RFP P-508-14) was developed and issued for the acquisition of the Supply, Implementation and Ongoing Maintenance and Support of a Development Application Tracking System (DATS). Five proposals were received on March 6, 2014, and evaluated using the two envelope system. Computronix (Canada) Ltd, Edmonton, Alberta was the highest ranked proposal received in response to this RFP. Computronix (Canada) Ltd. provided a structured and detailed proposal submission that clearly met all of the evaluation criteria which was confirmed through the required on-site demonstration and reference checks. As it was not the lowest cost proposal, the initial award of the contract was approved by Council through Report No. FN-20-14, re: "Proposal Award to Computronix (Canada) Ltd. for the Supply, Implementation and Ongoing Maintenance and Support of a New Development Application Tracking System." The original base funding has been supplemented by four extensions for further rollout work using approved capital budget (project T5420YA).

The POSSE platform is the business process management software delivering Halton Region's Development Application Tracking System. Rollout of the POSSE platform has been underway in installments since the initial contract award in 2014. Shifting to a product management approach with POSSE is part of the service and process transportation work stream in Halton Region's Digital Strategy. A third and final phase of rollout work was already planned to complete initial rollout in early 2023.

The timing of the Streamline Development Approval Fund enables an expansion of the functionality and usage of the POSSE platform across other Regional departments involved in development review. These projects include digitization of field inspection and ECA approvals, an overdue circulations prompting system, enhancements to support dashboard and report preparation, enhancements to existing workflows, and supporting training requirements.

Precise costing is not yet available as detailed scopes of work still need to be prepared. Order of magnitude estimates have been provided by Computronix (Canada) Ltd., to inform interim reporting required by the Province and planning for concluding software rollout. The maximum amount estimated to complete the work is \$500,000. Estimates include design analysis work as part of the actual software work itself. Staff recommend approval for this single source purchase for the reasons outlined above noting that this amount is an upset limit, and staff will work with the vendor on precise scoping to ensure the total spend does not exceed this amount.

Funding for POSSE software enhancements would come from two sources: portions of the Streamline Development Approval Fund, and approved capital budget for "DATS Phase 2/3" project work (project T5420YA), where funds of approximately \$217,000 are available through previous Council approvals. Any future investments will be included in the annual budget process for Regional Council's consideration.

Section 17.1 of Halton Region's Purchasing By-law No. 74-15, as amended, permits a single source purchase, provided the purchase meets applicable criteria. As required by the funding granted through the Streamline Development Approval Fund, Halton Region is required to undertake one or more of the eligible projects identified by the Region to the Province, with spending associated with the projects to be completed prior to the deadline of February 28, 2023. Therefore, timing constraints for the receipt of third party funding for the purchase of these services does not permit issuing a bid solicitation. Work must start immediately to meet the Fund's deadline for substantially completing the work by February 28, 2023. Additionally, Computronix is the only known source of supply who can build coding for the POSSE platform.

Halton Region's Purchasing By-law No. 74-15, as amended, requires Regional Council approval where the total cost of goods and services for a single source purchase exceeds \$100,000.

An additional report to Council for further single sourced purchasing approvals may be required as investigation of other work packages progress over the coming months. Staff will report back to Council early in 2023 with a longer-term governance strategy and road map for annual maintenance and growth of the platform. Such an implementation plan will include an update on this enhancement work. This report will confirm the vision required by the Digital Strategy for this core piece of enterprise software for the Region.

Conclusion and Next Steps

The implementation of the projects as noted in this report will produce improvements to the development review process. They are intended to produce necessary data to further refine development review timeframes and goals as well as address improvements to the process on an ongoing basis. This will ensure the Region is well equipped to address all aspects of development review effectively and consistently going forward.

Collaboration with our agency and municipal development partners and the development community is important and will occur regularly to inform, implement and refine the work plan going forward. Staff will provide updates to Regional Council once the initiatives have been completed in 2023.

FINANCIAL/PROGRAM IMPLICATIONS

The completion of the above noted single source award to Computronix (Canada) Ltd., for \$500,000 will be financed in part by an existing capital project T5420YA (DATS Phase 2) of \$165,000 and the remaining \$335,000 from the Provincial Streamline Development Approval Fund. This fund is designed to undertake key projects that will streamline the development review process, enhance, the Region's development applications tracking review and workflow software, provide staff training and expand the Region's digital review and digital intake capabilities. The provincial funding expires in February 2023 and staff will report back to Council with an update on these projects at that time.

The cost for future investments in the POSSE platform will be included in the capital budget for Regional Council's consideration through the annual budget process. Staff will report back to Council early in 2023 with a longer-term governance strategy that includes multi-year planning for the Development Application Tracking System.

All other purchases of goods or services related to Streamline Development Approval Fund projects (e.g., consultant or facilitation support, preparation of technical documents) shall be made in compliance with Purchasing By-law 74-15, as amended.

Respectfully submitted,



Curt Benson
Director, Planning Services and Chief
Planning Official



Bob Gray
Commissioner, Legislative and Planning
Services and Corporate Counsel

Approved by



Jane MacCaskill
Chief Administrative Officer

If you have any questions on the content of this report,
please contact:

Curt Benson

Tel. # 7181

Attachments: Attachment #1 – Eligible Project List

SCHEDULE "C" PROJECT

| |
|---|
| Project Title |
| Regional Municipality of Halton Streamline Development Approval Fund Initiative |
| Objectives |
| The objective of the Project is to streamline the Recipient's development approval processes or support a diversity internship program in connection with the Recipient's development approvals processes. |
| Description |
| <p>The Recipient will undertake one or more of the following:</p> <ol style="list-style-type: none"> 1. Procuring consulting or fee-for-service resources to do one or more of the following: <ol style="list-style-type: none"> a. Identify and assist the Recipient to implement more efficient processes for the Recipient's development approvals; b. Prepare draft changes to the Recipient's zoning by-laws and explore opportunities to accommodate new housing development as-of-right; c. Implement or enhance implementation of a Community Planning Permits system with a housing component; d. Review council decision-making processes related to development approvals and make recommendations for streamlining those processes, including delegating certain planning decisions to the Recipient's staff where considered appropriate; e. Develop draft Community Improvement Plans that include housing incentives; and f. Undertake studies to support new housing types; 2. Implementing e-permitting systems or online "Manage My Application" systems that provide for online status checking, interaction between the applicant and planners, fee payments, and ability to start additional permits and view agency comments; 3. Implementing systems that enable the use of online application forms, which allow for the submission of supporting documents, drawings, and studies as well as standardizes forms, drawings, studies and data submissions; 4. Developing online application guides to help applicants select a location, identify development type, and follow a step-by-step guide to determine application submission requirements; 5. Implementing online booking and web meetings systems for pre-consultation and planning meetings; 6. Purchasing data/application management/workflow software, digital drawing software, or 3D tools to assist with design and visualization of development applications; |

7. Purchasing software or hardware to improve the Recipient's efficiency in handling payments related to development approvals, such as new hardware or software to handle online payments or credit card payments;
8. Standardizing terminology, application processes, and data requirements as well as developing terms of reference to improve the customer experience and position partners for simpler data sharing;
9. Hiring temporary staff to deal with backlogs related to development approvals, including inspectors and Committee of Adjustment clerks;
10. Implement diversity internship programs to support diversification of planning or building departments including internships for qualified students or new graduates with a focus on people with disabilities, Indigenous, Black, and racialized individuals, and people from diverse ethnic and cultural origins, sexual orientations, and gender identities and expressions; and
11. Other initiatives to streamline the Recipient's development approval processes, with the written approval of the Province.



VIA EMAIL

August 22, 2022

Legislative & Planning Services
Department
Office of the Regional Clerk
1151 Bronte Road
Oakville ON L6M 3L1

Kellie McCormack, Conservation Halton
Joshua Campbell, Credit Valley Conservation
Samantha Lawson, Grand River Conservation Authority
Heather Watt, Ministry of Municipal Affairs and Housing
Dan Thompson, Northern Development Mines and Natural Resources and Forestry
John Dungavell, Niagara Escarpment Commission
Kevin Arjoon, City Clerk, City of Burlington
Meaghen Reid, Town Clerk, Town of Milton
Vicki Tytaneck, Town Clerk, Town of Oakville
Valerie Petryniak, Town Clerk, Town of Halton Hills
Anna DeMarchi-Meyers, Halton Agricultural Advisory Committee
Monika Keliacius, Natural Heritage Advisory Committee

Please be advised that at its meeting held Wednesday, July 13, 2022, the Council of the Regional Municipality of Halton adopted the following resolution:

RESOLUTION: LPS51-22 - Halton Tree By-Law and Woodlands Stewardship Program – 2021 Annual Report

1. THAT Report No. LPS51-22 re: “Halton Tree By-Law and Woodlands Stewardship Program – 2021 Annual Report” be received for information.
2. THAT the Regional Clerk forward a copy of Report No. LPS51-22 to the City of Burlington, the Town of Halton Hills, the Town of Milton, the Town of Oakville, Conservation Halton, Credit Valley Conservation, the Grand River Conservation Authority, the Niagara Escarpment Commission, NDMNRF (Northern Development Mines and Natural Resources and Forestry), HAAC (Halton Agricultural Advisory Committee), NHAC (Natural Heritage Advisory Committee) and MMAH (Ministry of Municipal Affairs and Housing), for their information.

Included please find a copy of Report No. LPS51-22 for your information.

Regional Municipality of Halton

HEAD OFFICE: 1151 Bronte Rd, Oakville, ON L6M 3L1

905-825-6000 | Toll free: 1-866-442-5866

If you have any questions please contact me at the e-mail address below.

Sincerely,

A handwritten signature in blue ink, appearing to read 'G. Milne', with a stylized flourish at the end.

Graham Milne
Regional Clerk
graham.milne@halton.ca

| | |
|------------|---|
| Report To: | Regional Chair and Members of Regional Council |
| From: | Bob Gray, Commissioner, Legislative and Planning Services and Corporate Counsel |
| Date: | July 13, 2022 |
| Report No: | LPS51-22 |
| Re: | Halton Tree By-Law and Woodlands Stewardship Program – 2021 Annual Report |

RECOMMENDATION

1. THAT Report No. LPS51-22 Re: “Halton Tree By-Law and Woodlands Stewardship Program – 2021 Annual Report” be received for information.
2. THAT the Regional Clerk forward a copy of Report No. LPS51-22 to the City of Burlington, the Town of Halton Hills, the Town of Milton, the Town of Oakville, Conservation Halton, Credit Valley Conservation, the Grand River Conservation Authority, the Niagara Escarpment Commission, NDMNRF (Northern Development Mines and Natural Resources and Forestry), HAAC (Halton Agricultural Advisory Committee), NHAC (Natural Heritage Advisory Committee) and MMAH (Ministry of Municipal Affairs and Housing), for their information.

REPORT

Executive Summary

- The purpose of this report is to provide Regional Council with an update on the activities related to the administration of the Halton Tree By-law No. 121-05 (the “Tree By-law”); the Woodlands Stewardship Program; as well as other Forestry initiatives undertaken by Halton Region for the 2021 calendar year.
- The Tree By-law promotes tree conservation and protects forest ecosystems. In 2021, the Regional Forester responded to 89 Tree By-law enquiries and complaints relating to potential removal of woodlands and/or tree injury and destruction. Ten of these progressed to detailed investigations and were deemed as infractions of the Tree By-law.
- Under the Woodlands Stewardship Program in 2021, landowners applied for and utilized \$7,045.82 in Regional funding to plant 15.47 hectares of new forest land

and under-plant 7.12 hectares of degraded forest cover in our Region. Landowners in Halton have also applied for and utilized \$4,226.98 in Regional funding to have Forest Management Plans prepared by Registered Professional Foresters'. These plans covered 126.18 hectares of woodland in our Region and will contribute to good management and forestry practices as well as protection.

- The current Tree By-law has been in effect since January of 2006 and it is necessary to respond to changes in legislation and the Region's Natural Heritage System policies and objectives as well as improve administration. Staff will initiate the update of the Tree By-law in 2023-2024. This will involve procuring expertise and services as well as going through public engagement processes.

Background

Halton's first Tree By-law was adopted by Regional Council in 1983. Since that time, there has been a growing appreciation of the importance of forest resources and their contributions to Halton's natural heritage. Regional Council, as part of the 2004 review of Halton's Official Plan requested staff to prepare a new Tree By-law. Section 135 of the provincial Municipal Act provides for an upper-tier municipality to prohibit or regulate the destruction or injuring of trees in woodlands; in addition it must have regards to good forestry practices as defined in the provincial *Forestry Act*. The current Halton Tree By-law came into force January 1, 2006, and is based on good forestry practices and the definition of 'woodlands' consistent with the *Forestry Act*.

The Woodlands Stewardship Program promotes active management of forest resources on private lands in Halton with funding dedicated to increase the quantity and quality of forested areas within Halton for the long term. The Regional Tree By-law included a set of complementary and supporting programs or incentives to encourage stewardship of forestry resources by individual landowners. Guidelines for applicant qualification were further refined in 2007 through an adoption by Council.

Discussion

The Region's Forestry initiatives include:

- Administration of the Halton Tree By-law program by reviewing and approving tree harvesting permits and forest management plans, conducting site inspections, overseeing compliance and assisting in legal proceedings when necessary to address by-law infractions.
- Providing front-line public assistance and education to landowners and Halton Region's partner agencies on the principles of good forestry practices as instilled within all of Halton's forestry related programs.

- Implementing the recommendations of the Halton Regional Forest Management Plan (2005-2024) and ensuring the maintenance and enhancement of the Halton Regional Forest by conducting forest health monitoring, preparing silvicultural prescriptions, supervising capital works projects and overseeing day to day maintenance of Halton's 14 forest tracts in facilitation with user groups and citizens advisory committees.
- Fostering a culture of stewardship amongst Halton Region's woodland owners by developing and administering a Woodlands Stewardship Program for both private and public forests throughout Halton including the assessment of forestry management and stewardship proposals eligible for financial incentives.
- Reviewing and assessing forestry and tree matters on Region-owned properties, and providing technical advice for Regional projects including roads, water and wastewater infrastructure.

Enquiries and support requests for 2021, displayed in Table 1, were tracked under the following six categories:

1. **Halton Tree By-law** – all activities related to administration of the Tree By-law. Includes enquiries relating to permitted and non-permitted tree removal under the Tree By-law, as well as investigations and infractions.
2. **Regional Forest Lands** – includes enquiries specifically relating to Halton Regional Forest Tracts and other Regional forested lands.
3. **Woodlands Stewardship Program** – includes administration of the program relating to the management of existing private woodlands or afforestation on private lands.
4. **Support for Planning Services** – includes requested support of the Legislative & Planning Services Department. This includes dripline staking, woodlands consultation, review and comment on planning applications, Environmental Impact Assessments (EIAs), among others.
5. **Support for Public Works** – includes requests related to trees and woodlands with regards to capital projects, road operations, and inspections for maintenance on regionally-owned wooded properties.
6. **Other Residential / Municipal Enquiries** – includes enquiries from the public and municipal employees related to all aspects of tree / woodland care and maintenance that are not applicable to the other categories (such as hunting enquiries, tree marking, invasive species, hazard tree queries, etc.).

Table 1. 2021 Enquires by Type and Municipality

| Municipality | Regional Forest Lands | Woodlands Stewardship | Support for Planning | Support for Public Works | Other Residential / Municipal Enquires | Halton Tree By-Law |
|--------------------------|-----------------------|-----------------------|----------------------|--------------------------|--|--------------------|
| Burlington | 1 | 6 | 9 | 7 | 13 | 29 |
| Halton Hills | 9 | 4 | 13 | 2 | 7 | 23 |
| Milton | 61 | 23 | 15 | 2 | 10 | 31 |
| Oakville | 6 | 0 | 7 | 10 | 19 | 6 |
| SUB TOTALS | 77 | 33 | 44 | 21 | 49 | 89 |
| COMBINED TOTALS FOR YEAR | | | | | | 313 |

In 2021, for all six categories tracked, there were a total of 313 enquiries and support requests directed to the Regional Forester. Time spent on each varied widely based on complexity, required site visits, and if it led to legal involvement or a By-law infraction.

Only enquiries relating to the By-law, Regional Forest Lands, and Woodlands Stewardship program were tracked in previous years. If we look at these three categories over the last three years, 2018 had 115, 2019 had 136, and 2020 had 155 enquiries. In comparison, 2021 had 199 enquiries recorded. Based on the data, the program is seeing consistent year over year increases in residents accessing the services of the Regional Foresters’.

Increases are most likely attributed to an increase in public recreational activities due to COVID-19, an increase in tree cutting activity, and a growing interest in Regional Forest initiatives. To better understand the increases in enquiries and services provided through the Regional Forester, staff have begun collecting data across six descriptive categories outlined above (rather than three as was done in the past). As staff continue to collect further information around enquiries, a better understanding will be developed on evolving customer service demands.

Halton Tree By-law

The By-law is an important tool that is complementary with current legislation and Regional policy. Section 147 (5) of the Regional Official Plan states it is the Region’s policy to enact a Tree By-law to regulate the removal of trees within woodlands.

Initial analysis of a complaint or enquiry are conducted through a desktop review to better understand the circumstances of the potential infraction and collect background information. Field visits are conducted to obtain an initial view of the site, collect further information from the informant, and/or the Landowners. Detailed investigations are

initiated for potential infractions of the Tree By-law and include discussions with landowners and persons/contractors involved in the incidents to obtain more detailed field assessments, measurements, photographs, and detailed records of activities.

Enquiries that resulted in detailed investigations for potential infractions of the Tree By-law over the past five years are noted in Table 2. While investigations for potential or confirmed infractions of the Tree By-law are in progress, confidentiality is of utmost importance and accordingly all communications, questions, comments from the outside public and/or landowners into an investigation should be directed to the Regional Foresters' for response.

There has been an increase in By-law infractions in 2021 in comparison to the past five years. The infractions identified in 2021 have accounted for 11.80 hectares of lost woodland. Staff have identified that many of the infractions have been on properties that have recently sold. It is likely that land is being bought by those who are unaware or unfamiliar with Regional By-laws. As a result, staff are exploring enhanced communication approaches for new woodland owners and developing an educational campaign with a broader audience in mind.

Table 2. Completed Detailed Investigation Summary Comparison by Year

| Municipality | 2017 | | 2018 | | 2019 | | 2020 | | 2021 | |
|--------------|-------------------|-------------------|------|------|------|------|------|------|------|------|
| | Inv. ¹ | Inf. ¹ | Inv. | Inf. | Inv. | Inf. | Inv. | Inf. | Inv. | Inf. |
| Burlington | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 2 |
| Halton Hills | 2 | 0 | 1 | 1 | 3 | 0 | 3 | 1 | 6 | 6 |
| Milton | 1 | 0 | 1 | 0 | 2 | 0 | 1 | 0 | 2 | 2 |
| Oakville | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 6 | 0 | 2 | 1 | 5 | 0 | 4 | 1 | 10 | 10 |

¹ Inv. refers to detailed investigations and Inf. refers to infractions. An infraction is a result of an investigation.

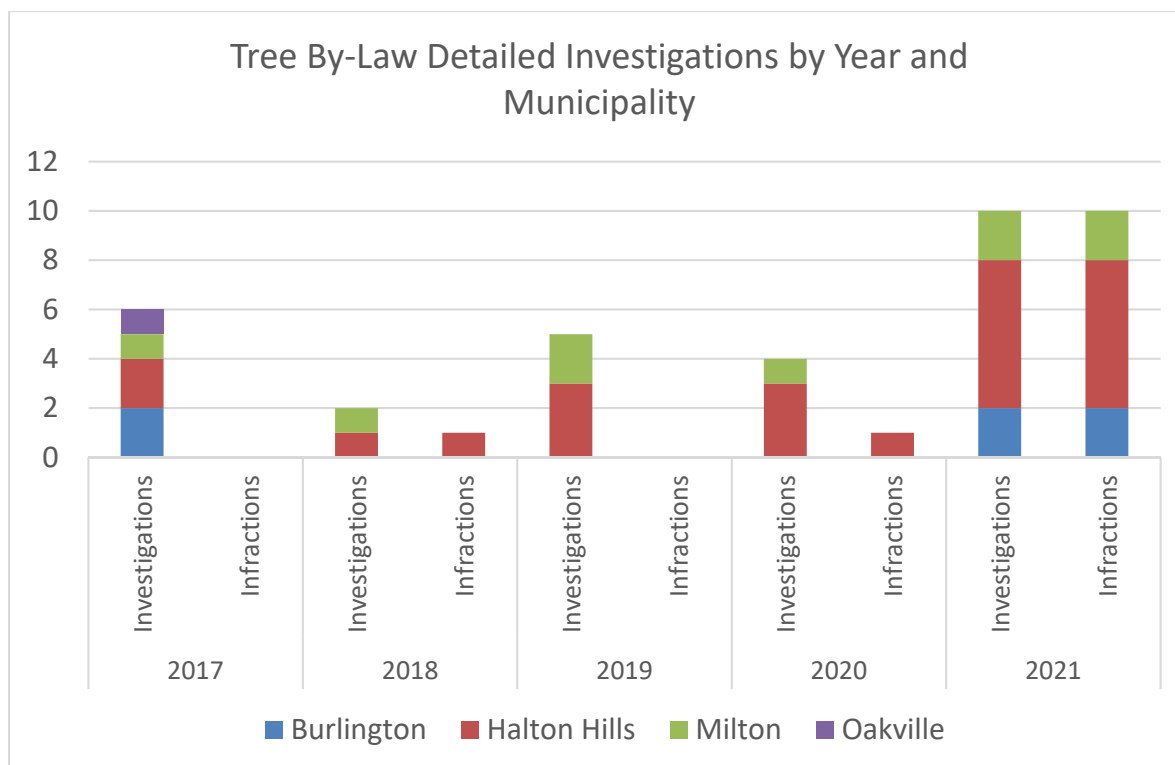


Figure 2. Tree By-law Detailed Investigations by Year and Municipality

Administration of the Tree By-law is not limited to investigations of potential infractions. Tree Harvest Permit applications are also reviewed and issued where tree removal can occur in accordance with good forestry practices.

Table 3 identifies the three types of Harvesting activities authorized in 2021 by the Regional Forester broken down by local municipality and hectares harvested. The first type of activity is a Harvest with a permit in accordance with an approved tree removal plan. In 2021 three harvest permits were issued.

The second type of harvest activity that can permissibly occur is where the landowner has provided the Region a Forest Management Plan with proposed and prescribed harvesting activities approved by a Registered Professional Forester. In 2021, four Forest Management Plans were reviewed and subsequent harvests authorized.

The third type of harvest activity is a Special Council Permit. This permitting system is used when the area harvested is not in accordance with good forestry practices, but is permitted in Tree By-law 121-05, with a thorough evaluation of the site, identification of possible alternatives, and subsequent permitting process with the landowner. Each Special Council Permit is brought forward to Council for review and consideration. In 2021, two special council permits were approved.

Table 3 below, illustrates the types of harvest activities and hectares associated by Municipality.

Table 2. 2021 Tree Harvesting Activities Summary

| Municipality | Harvest Permit | Forest Management Plan Submitted | Special Council Permit | Total Hectares |
|--------------|----------------|----------------------------------|------------------------|----------------|
| Burlington | - | - | - | - |
| Halton Hills | - | - | 1 | 0.41 |
| Milton | 3 | 4 | 1 | 81.14 |
| Oakville | - | - | - | - |
| TOTAL | 3 | 4 | 2 | 81.55 |

Woodlands Stewardship Program

In May of 2007, the Halton Woodlands Stewardship Program was adopted by Regional Council (Report No. PPW35-07). The program assists landowners with maintenance and enhancement of natural areas in the stewardship of Halton's forested areas for the long term.

Under the Woodlands Stewardship Program, Regional funding is available to landowners for plantation establishment (reimbursement for up to 50 per cent of incurred costs, to a maximum of \$2,000 per calendar year) and Forest Management Plan preparation (reimbursement for up to 50 per cent of costs incurred for plan preparation, to a maximum of \$1,000). In addition, tree marking services are available upon request to be conducted by a Regional Forester.

Table 4, summarizes the program funding utilized within each local municipality in 2021. Costs incurred were within the 2021 budget.

Table 3. 2021 Woodlands Stewardship Program Funding Summary

| | Plantation Establishment/ Forest Enhancement | | Forest Management Plan Preparation | | Tree Marking Services |
|--------------|---|----------|---------------------------------------|----------|--------------------------|
| Municipality | ha | \$ | ha | \$ | ha |
| Burlington | 14.6 | 1,660.33 | 56.68 | 1,000.00 | - |
| Halton Hills | 0.10 | 448.00 | 17.52 | 888.08 | - |
| Milton | 7.89 | 4,937.49 | 51.98 | 2338.90 | 0.3 |
| Oakville | - | - | - | - | - |
| TOTAL | 22.59 | 7,045.82 | 126.18 | 4,226.98 | 0.3 |

Tree By-law Review

The Tree By-law, adopted in 2005 by Regional Council, (Report No. PPW120-05/CA44-05) has been in effect since January 1, 2006. This By-law has functioned well for its intended purpose, however there is value in undertaking a review of the By-Law to ensure it is responsive to current conditions, is in alignment with current Provincial legislation and conforms to updated definitions in the Regional Official Plan. For example, the Tree By-law regulates cutting of trees in Greenlands, which is now referred to as the Natural Heritage System. This review aligns with the objective of ensuring protection of the Natural Heritage System as identified in Council's Strategic Plan 2019-2022. A review of the Tree By-law will commence in 2023. The process would be led by a consultant and include extensive background review within Halton Region and comparable upper-tier municipalities. It would involve consultation with the public and stakeholders, including partner agencies, the agricultural and development community. Any proposed changes would be brought forward to Regional Council for approval.

Forest Management Plan Review and Update

The current Halton Regional Forest Management Plan for the Regional Forest Tracts is set to expire in 2024. Regional Forestry staff are initiating the next Forest Management Plan update intended to guide management activities and uses within the Forest for another period of 20 years. It will include a review of the past plan, identification of sensitivities, constraints, and opportunities; assessment of the natural heritage features; public consultation with forest users, technical experts, local municipalities and members of the public; a review and discussion of appropriate sustainable approaches for growing, manipulating, and maintaining the forest cover (silviculture); and development of vision, goals, and objectives for the forest and strategies for management.

The Management Plan will consist of three component plans: a 20-year General Management Plan: 2025-2044; a five-year Operating Plan: 2025-2029; and a 10-year Capital Plan: 2025-2034. A new Operating Plan should be prepared every five years. Preparation of a new five-year Operating Plan also affords an opportunity to review progress toward achieving goals and objectives outlined in the 20-year forest management plan and to make adjustments where necessary.

Conclusion

The forestry services described in the report protect woodlands in support of public enjoyment, and the protection of our natural environment. These initiatives have been designed to support and execute Council's Strategic Business Plan objectives around Environmental Sustainability, Natural Heritage Protection and Climate Change. Staff will continue to provide updates on the strategic alignment and value provided through this program on an annual basis.

FINANCIAL/PROGRAM IMPLICATIONS

The costs of administering the Tree By-law and Woodlands Stewardship Program are included in the Legislative and Planning Services annual operating budget. The cost for the Tree By-law review and update will be included in the Legislative and Planning Services budget for 2023.

Respectfully submitted,



Curt Benson
Director, Planning Services and Chief
Planning Official



Bob Gray
Commissioner, Legislative and Planning
Services and Corporate Counsel

Approved by



Jane MacCaskill
Chief Administrative Officer

If you have any questions on the content of this report,
please contact:

Curt Benson

Tel. # 7181

Attachments: None



VIA EMAIL

August 17, 2022

Legislative & Planning Services
Department
Office of the Regional Clerk
1151 Bronte Road
Oakville ON L6M 3L1

Valerie Petryniak, Town Clerk, Town of Halton Hills

Please be advised that at its meeting held Wednesday, July 13, 2022, the Council of the Regional Municipality of Halton adopted the following resolution:

RESOLUTION: LPS57-22 - Declaration of Lands Surplus to Regional Requirements, Town of Halton Hills, 8010 Tenth Line (PIN:25026-0245 (LT))

1. THAT in accordance with Halton's real property procedural by-law governing the sale of real estate assets, By-law No. 27-96, Regional Council declare a portion of the lands legally described as Part of Lot 1, Concession 10 (Esquesing), as in 502190, except Part 2 on Plan 20R-18423, Town of Halton Hills, being a portion of PIN: 25026-0245 (LT), as further outlined in Report No. LPS57-22 re: "Declaration of Lands Surplus to Regional Requirements, Town of Halton Hills, 8010 Tenth Line (PIN:25026-0245 (LT))", in the Town of Halton Hills, surplus to Halton Region's municipal needs and requirements.
2. THAT in accordance with Halton Region's real property procedural by-law governing the sale of real estate assets, By-law No. 27-96, for the lands outlined in Recommendation #1, Council hereby acknowledge that Notice has been given to the public by means of listing Report No. LPS57-22 on Regional Council's agenda.
3. THAT the Regional Clerk forward a copy of Report No. LPS57-22 to the Town of Halton Hills for information.

Included please find a copy of Report No. LPS57-22 for your information.

Regional Municipality of Halton

HEAD OFFICE: 1151 Bronte Rd, Oakville, ON L6M 3L1

905-825-6000 | Toll free: 1-866-442-5866

If you have any questions please contact me at the e-mail address below.

Sincerely,

A handwritten signature in blue ink, appearing to read 'G. Milne', with a stylized flourish at the end.

Graham Milne
Regional Clerk
graham.milne@halton.ca

| | |
|------------|--|
| Report To: | Regional Chair and Members of Regional Council |
| From: | Bob Gray, Commissioner, Legislative and Planning Services and Corporate Counsel |
| Date: | July 13, 2022 |
| Report No: | LPS57-22 |
| Re: | Declaration of Lands Surplus to Regional Requirements, Town of Halton Hills, 8010 Tenth Line (PIN:25026-0245 (LT)) |

RECOMMENDATION

1. THAT in accordance with Halton's real property procedural by-law governing the sale of real estate assets, By-law No. 27-96, Regional Council declare a portion of the lands legally described as Part of Lot 1, Concession 10 (Esquesing), as in 502190, except Part 2 on Plan 20R-18423, Town of Halton Hills, being a portion of PIN: 25026-0245 (LT), as further outlined in Report No. LPS57-22 re: "Declaration of Lands Surplus to Regional Requirements, Town of Halton Hills, 8010 Tenth Line (PIN:25026-0245 (LT))", in the Town of Halton Hills, surplus to Halton Region's municipal needs and requirements.
2. THAT in accordance with Halton Region's real property procedural by-law governing the sale of real estate assets, By-law No. 27-96, for the lands outlined in Recommendation #1, Council hereby acknowledge that Notice has been given to the public by means of listing Report No. LPS57-22 on Regional Council's agenda.
3. THAT the Regional Clerk forward a copy of Report No. LPS57-22 to the Town of Halton Hills for information.

REPORT

Executive Summary

- Halton Region owns a property located at the northwest corner of 10th Line North and Steeles Avenue.

- The adjacent property owner to the west has approached Halton to determine if the lands outlined in Recommendation # 1 are available for purchase.
- Staff have confirmed that the lands outlined in Recommendation # 1 are surplus to Halton's municipal needs. The purpose of this report is to declare these lands surplus in accordance with Halton Region's policies.

Background

Steeles Avenue (Regional Road 8) is one of the primary east-west routes through the Towns of Halton Hills and Milton. The need for capacity improvements was identified in the North Halton Transportation Study (1999) and the 2004 Halton Transportation Master Plan (PPW92-04). The need for capacity improvement was based on the analysis of existing traffic conditions and volumes, future corridor travel demands and the identification of safety/operational requirements at intersections within the corridor. The section of Steeles Avenue extending from Trafalgar Road to Winston Churchill Boulevard, in the Town of Halton Hills, was reconstructed to a 4 –lane rural cross-section through the commencement of project PR2044B in 2013. The project was completed in 2015.

The property described in Recommendation #1 (the “**Property**”) is municipally known as part of 8010 Tenth Line and is located at the northwest corner of 10th Line and Steeles Avenue (see Attachment #1). The Property is a 0.39 acre rectangular lot that was improved with a 1-storey, single family residence on rural services (see Attachment #2). The widening of Steeles Avenue necessitated removal of the septic system servicing the Property and Halton was unable to establish a functional system to replace it. Given the lack of servicing, Halton acquired this property in 2018. Subsequent to the acquisition, the house was demolished and the Property was fully decommissioned in June of 2021. Following an internal review into options for utilizing these lands, it has been determined that these lands are surplus to Halton's municipal needs and the purpose of this report is to declare these lands surplus, in accordance with Regional policy.

Discussion

An internal review of this Property has confirmed that Haltons needs for this property are now limited to protecting the future expansion of Steeles Avenue from four (4) to six (6) lanes from Trafalgar Road to Winston Churchill Blvd, as identified in the Region's 2011 Transportation Master Plan. Halton needs include any lands within 23.5m of the centre line of the original 66ft right-of-way of Steeles Avenue and a daylighting triangle measuring at a minimum 15m along Steeles Avenue and 15m along Tenth Line (See Attachment #3). A review by the Town of Halton Hills has confirmed that a right-of-way 17.5m from the centerline of Tenth Line must also be retained for the future widening of Tenth Line in this area. Any future sale of these lands will therefore retain the lands required for the widening of Steeles Avenue and will direct the lands needed for the widening of Tenth Line to the Town of Halton Hills.

The adjacent property owner to the west has approached Halton Region to inquire as to whether the Property is available for sale. In accordance with Halton's By-law governing the sale of real property, the passage of a resolution by Regional Council declaring the Property described in Recommendation # 1 surplus to Regional requirements is necessary in order to proceed with negotiations regarding the potential sale of the of the Property.

FINANCIAL/PROGRAM IMPLICATIONS

There are no direct financial implications associated with this report. Further details on a sale of the lands outlined in Recommendation #1 will be presented to Regional Council for consideration in accordance with Halton Region's policies.

Respectfully submitted,



Jody Johnson
Director, Legal Services



Bob Gray
Commissioner, Legislative and Planning
Services and Corporate Counsel

Approved by



Jane MacCaskill
Chief Administrative Officer

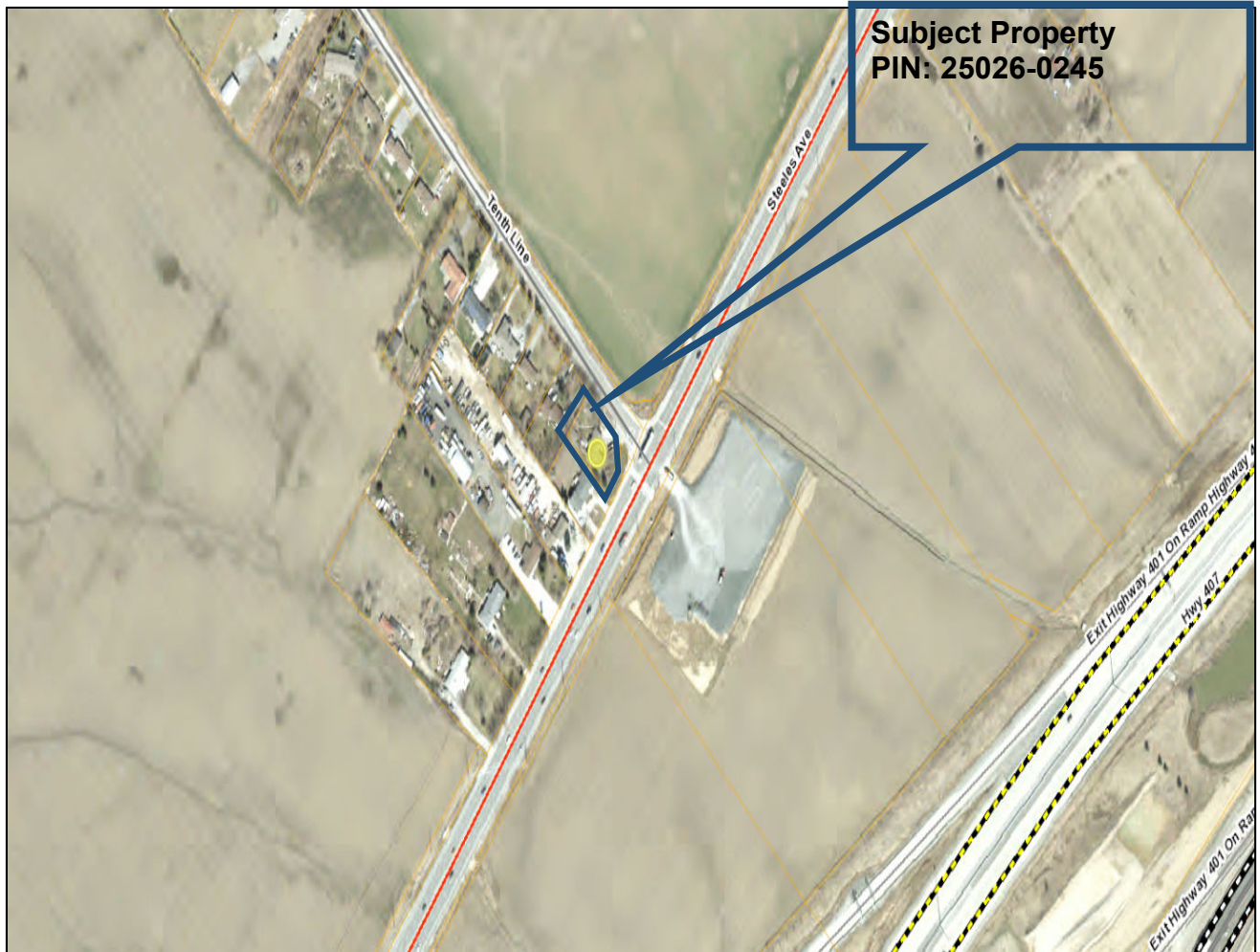
If you have any questions on the content of this report,
please contact:

Jody Johnson

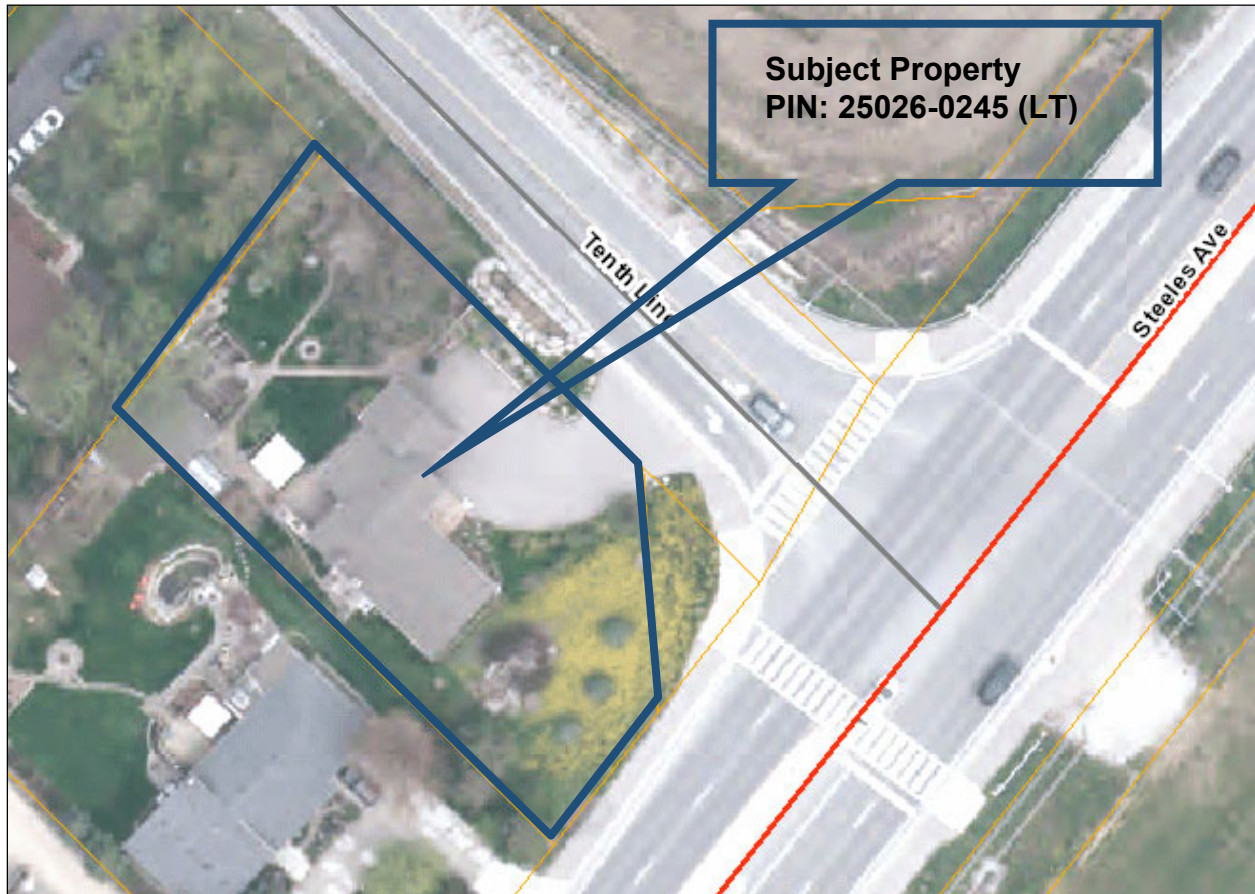
Tel. # 7254

Attachments: Attachment # 1 – Location Map
Attachment # 2 – Site Map
Attachment # 3 – Parcel to be retain by Halton

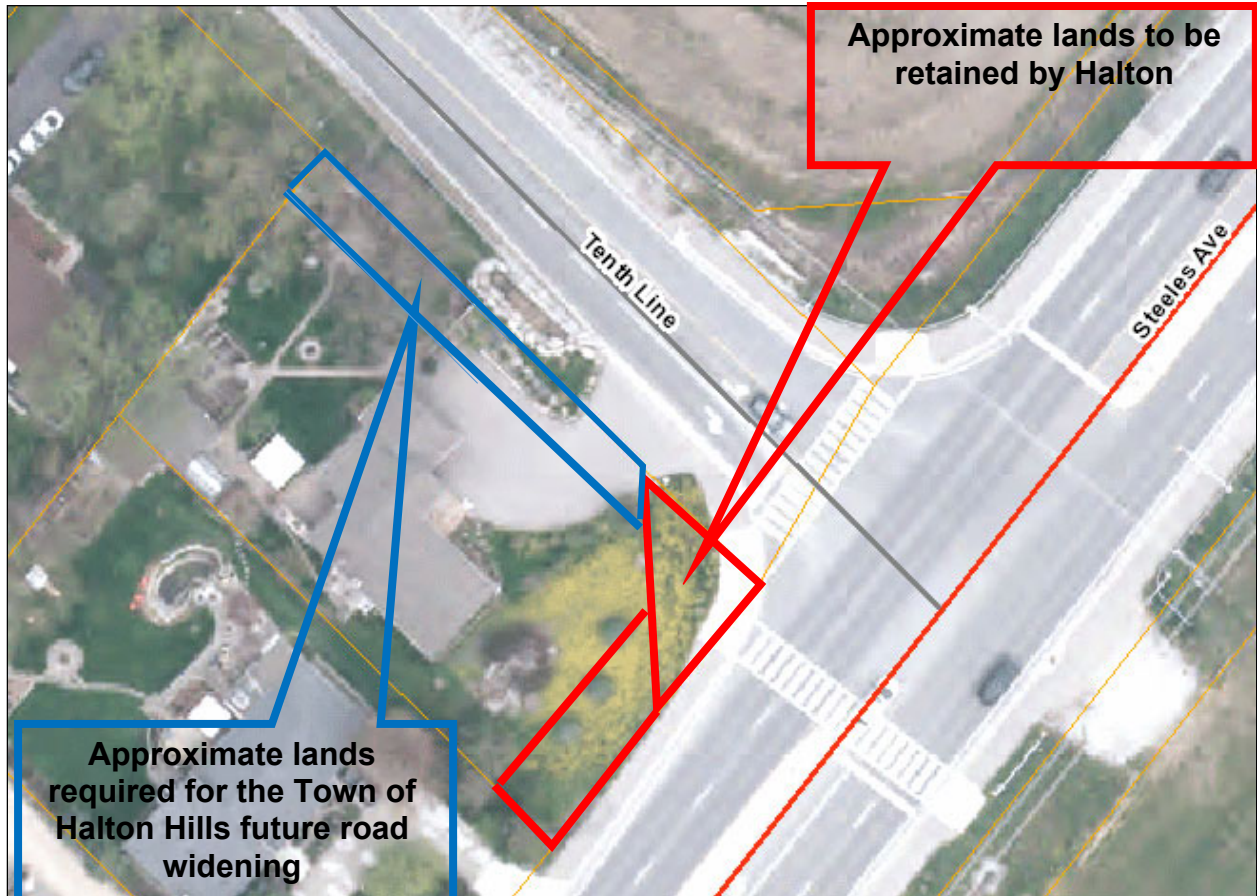
Location Map



Site Map



Parcel to be retain by Halton





VIA EMAIL

August 17, 2022

Legislative & Planning Services
Department
Office of the Regional Clerk
1151 Bronte Road
Oakville ON L6M 3L1

Chief Steven Tanner, Halton Police Service
John Elvidge, City Clerk, City of Toronto
Kevin Arjoon, City Clerk, City of Burlington
Meaghan Reid, Town Clerk, Town of Milton
Vicki Tytaneck, Town Clerk, Town of Oakville
Valerie Petryniak, Town Clerk, Town of Halton Hills

Please be advised that at its meeting held Wednesday, July 13, 2022, the Council of the Regional Municipality of Halton adopted the following resolution:

RESOLUTION: PW-12-22 - Red Light Camera Program Updates

1. THAT Regional Council authorize the award of the Radar Red Light Camera Program contract to Traffipax LLC for the supply, installation, and maintenance of the red light camera systems using radar detection for the date of agreement execution to December 31, 2025 with a two-year option to renew, as detailed in Report No. PW-12-22.
2. THAT Regional Council approve additional red light camera locations using radar detection, at the following locations:
 - Brant Street (Regional Road 18) and the Queen Elizabeth Way) west bound off ramp heading north bound, City of Burlington;
 - Dundas Road (Regional Road 5) and Trafalgar Road (Regional Road 3) west bound, Town of Oakville;
 - Guelph Line (Regional Road 1) and Harvester Road north bound, City of Burlington;
 - Guelph Line (Regional Road 1) and South Service Road, south bound, City of Burlington; and,
 - James Snow Parkway (Regional Road 4) and Main Street north bound, Town of Milton.
3. THAT the Regional Clerk forward a copy of Report No. PW-12-22 to the City of Toronto, the City of Burlington, the Town of Halton Hills, the Town of Milton, the Town of Oakville, and the Halton Regional Police Services for their information.

Regional Municipality of Halton

HEAD OFFICE: 1151 Bronte Rd, Oakville, ON L6M 3L1

905-825-6000 | Toll free: 1-866-442-5866

Included please find a copy of Report No. PW-12-22 for your information.

If you have any questions please contact me at the e-mail address below.

Sincerely,

A handwritten signature in blue ink, appearing to read 'G. Milne', with a large circular flourish at the end.

Graham Milne
Regional Clerk
graham.milne@halton.ca

| | |
|------------|--|
| Report To: | Regional Chair and Members of Regional Council |
| From: | Andrew Farr, Commissioner, Public Works |
| Date: | July 13, 2022 |
| Report No: | PW-12-22 |
| Re: | Red Light Camera Program Updates |

RECOMMENDATION

1. THAT Regional Council authorize the award of the Radar Red Light Camera Program contract to Traffipax LLC for the supply, installation, and maintenance of the red light camera systems using radar detection for the date of agreement execution to December 31, 2025 with a two-year option to renew, as detailed in Report No. PW-12-22.
2. THAT Regional Council approve additional red light camera locations using radar detection, at the following locations:
 - Brant Street (Regional Road 18) and the Queen Elizabeth Way) west bound off ramp heading north bound, City of Burlington;
 - Dundas Road (Regional Road 5) and Trafalgar Road (Regional Road 3) west bound, Town of Oakville;
 - Guelph Line (Regional Road 1) and Harvester Road north bound, City of Burlington;
 - Guelph Line (Regional Road 1) and South Service Road, south bound, City of Burlington; and,
 - James Snow Parkway (Regional Road 4) and Main Street north bound, Town of Milton.
3. THAT the Regional Clerk forward a copy of Report No. PW-12-22 to the City of Toronto, the City of Burlington, the Town of Halton Hills, the Town of Milton, the Town of Oakville, and the Halton Regional Police Services for their information.

REPORT

Executive Summary

- As set out in Report No. PW-39-16 re: “Red Light Camera Program”, Halton Region’s current contract with Traffipax LLC is for the supply, installation, and maintenance of the current active 18 red light camera locations using inductive-loop detection.
- In addition to the current contract, to facilitate the use of new radar detection technology, Halton Region’s current red light camera provider, Traffipax LLC was awarded a second Radar Red Light Camera Program contract through a joint procurement process issued by the City of Toronto on behalf of participating municipalities in the Red Light Camera Program.
- While the current contract using inductive-loop technology will remain for the existing 18 locations, the new Radar Red Light Camera Program contract will use new radar detection technology and will include five newly proposed and two reinstated locations within Halton Region.
- Staff recommend that Halton Region execute the new Radar Red Light Camera Program contract with Traffipax LLC in alignment with the City of Toronto on behalf of all participating municipalities. No additional agreements with the Joint Processing Centre and Ministry of Transportation are required to be executed.

Background

Halton Region’s Red Light Camera Program

Halton Region presently participates in the provincial Red Light Camera program as outlined in Report No. PW-36-19. The goal of the Red Light Camera Program is to reduce the frequency of red light running and high-severity angle-type collisions (i.e., T-Bone) at signalized intersections. The program utilizes an enforcement technique targeted at reducing red light running associated with specific movements known to result in angle collisions.

Since 2012, Halton Region has installed 20 red light cameras at signalized intersections. As two were removed to accommodate road construction, 18 cameras are presently operational in Halton Region as detailed further in this Report. In previous years, the Program has proven to be successful in reducing the frequency of red light running. Over a five year period there has been a median reduction of 18 per cent in angle type collisions where a red light camera is present.

Camera locations are assigned based on right angle collision rates and how many angle collisions could potentially be reduced through the installation of a red light camera.

Annually, Halton Region screens its signalized intersections to determine if intersection safety could be improved through the installation of a red light camera.

Traffipax LLC

Inductive-Loops Detection

Halton Region presently has a five-year contract with Traffipax LLC, with an additional five-year extension (January 2022 to December 2026) executed by the Commissioner of Public Works in June 2021 for the supply, installation, and maintenance of the current active 18 red light camera locations.

These existing locations use inductive-loops detection. Inductive-loops are cut into the roadway to detect vehicles passing or arriving at a certain point. Once the loops are damaged or removed due to road resurfacing or other construction work, the red light camera detection system becomes inactive until the necessary repairs are made. Despite being inoperable, as the cameras form part of the contract with the vendor, Halton Region is charged a daily inactive fee for everyday the camera is not live.

Radar Red Light Camera Program

To remedy the challenge of damaged or inactive induction-loop installations, the red light camera vendors have moved to a new camera system that no longer requires the use of inductive-loops.

In order to take advantage of the new technology, the City of Toronto, on behalf of participating municipalities involved in the provincial Red Light Camera Program, issued a new joint municipal Request for Proposal. The contract was awarded to Traffipax LLC for a five-year term with the option of an additional two-year term, subject to satisfactory performance, price, and approved budget. The intent of the new contract is not to replace the existing inductive-loop contract, but instead allows municipalities to take advantage of the new camera technology for new locations or when existing camera locations require replacement.

Traffipax LLC requires that each participating municipality enter into an agreement for the supply, installation, operation, and maintenance of the red light cameras for this contract.

Discussion

Benefits of the Radar Red Light Camera Program Contract

Staff recommend that Halton Region execute the new Radar Red Light Camera Program contract with Traffipax LLC in alignment with the City of Toronto on behalf of all participating municipalities.

The new Radar Red Light Camera Program contract allows for the use of radar detection technology to capture vehicles running red lights. The Radar Red Light Camera program

allows a red light camera to remain operational during construction, as no inductive-loops are needed for the camera to operate. As such, the daily inactive fees that are accumulated during construction and issued to Halton Region are eliminated.

In Halton, the new contract for the five proposed new and two reinstated locations is detailed further in this Report.

Additional benefits of the Radar Red Light Camera Program include:

- Radar detection technology can be incorporated over the older inductive-loops detection system;
- Radar has the ability to detect red light running vehicles without the installation of an insulated electrically conducting loop installed in the pavement;
- Continued operation of cameras through radar technology whereas the inductive-loops can be damaged from road resurfacing or other construction works;
- Radar detection will not require Halton Region to deactivate cameras during a capital project allowing for a red light camera to continue to operate and maintaining the safety for both construction workers and road users;
- The new radar red light camera locations will eliminate daily inactive fees for inoperable cameras due to inductive-loop issues or non-use during construction and re-installation fees upon the conclusion of construction;
- Radar detection will increase the lifespan of the road as detection loops are cut into the travel lanes which has the potential for water and moisture to seep into the subsurface of a roadway leading to premature cracking and pitting.

Difference in Pricing for Radar Red Light Cameras and Loop Detection Camera

Traffipax LLC is currently phasing out loop detection red light camera systems. In the interest of increasing the number of red light cameras in Halton Region and per the technical benefits listed above, it is recommended to install any new red light camera sites under the new contract within the first three years given its daily reduced pricing as noted below:

| Radar Red Light Cameras Description | Daily Active Pricing |
|--|-----------------------------|
| Contract Period: Years One to Five Active Red Light Camera Site Installed in Years One to Three | \$67.28 |
| Contract Period: Years One to Five Active Red Light Camera Site Installed in Year Four | \$101.74 |
| Contract Period: Years One to Five Active Red Light Camera Site Installed in Year Five | \$123.27 |
| Contract Period: Years Six to Seven All Previously Installed Active Red Light Camera Site Installed in Years One to Five | \$32.69 |

As of January 20, 2022, all active 18 red light camera locations using loop detection cameras incur a daily active fee of \$48.79. As such, it is cost effective to leave the existing 18 red light cameras under the loop detection contract rather than updating to the radar contract.

Over time, as the ongoing maintenance of the existing locations becomes more expensive, a transition to radar will be made.

New Red Light Camera Locations

As stated previously, new locations are chosen annually where data shows an expected positive correlation between reduced angle collisions and the installation of a red light camera. The 2022 annual red light camera network screening has identified the following five locations for the installation of new red light cameras in an effort to help improve road safety:

- Brant Street (Regional Road 18) and the Queen Elizabeth Way) westbound off ramp heading north bound, City of Burlington;
- Dundas Road (Regional Road 5) and Trafalgar Road (Regional Road 3) west bound, Town of Oakville;
- Guelph Line (Regional Road 1) and Harvester Road north bound, City of Burlington;
- Guelph Line (Regional Road 1) and South Service Road, south bound, City of Burlington; and,
- James Snow Parkway (Regional Road 4) and Main Street north bound, Town of Milton.

In addition to the five new red light camera locations, the following two existing cameras locations will be reinstated under the new radar detection contract as stated above it is more cost effective due to the reduced daily active rate

- Trafalgar Road (Regional Road 3) and Leighland Avenue/Iroquois Shore Boulevard, Town of Oakville; and,
- Trafalgar Road (Regional Road 3) and Upper Middle Road (Regional Road 38), Town of Oakville.

FINANCIAL/PROGRAM IMPLICATIONS

The 2022 approved operating budget for the Red Light Camera Program of \$745,600 can accommodate a total of 25 cameras, which includes the current 18 active cameras, two reinstated cameras, and the addition of five new red light camera sites based on the new contract rates with Traffipax LLC.

Respectfully submitted,



Rob Rivers CET
Director, Waste Management and Road
Operations



Andrew Farr
Commissioner, Public Works

Approved by



Jane MacCaskill
Chief Administrative Officer

If you have any questions on the content of this report,
please contact:

Rob Rivers

Tel. # 8289

Attachments: None



VIA EMAIL

August 17, 2022

Kevin Arjoon, City Clerk, City of Burlington
Meaghan Reid, Town Clerk, Town of Milton
Vicki Tytaneck, Town Clerk, Town of Oakville
Valerie Petryniak, Town Clerk, Town of Halton Hills

Legislative & Planning Services
Department
Office of the Regional Clerk
1151 Bronte Road
Oakville ON L6M 3L1

Please be advised that at its meeting held Wednesday, July 13, 2022, the Council of the Regional Municipality of Halton adopted the following resolution:

RESOLUTION: PW-28-22 - Amendments to the Uniform Traffic Control By-law No. 1984-1

1. THAT Regional Council approve the amendments to the Uniform Traffic Control By-law No. 1984-1 to adopt the additions and deletions detailed in Attachment #1 to Report No. PW-28-22.
2. THAT the Director of Legal Services be authorized to prepare the amending By-law.
3. THAT the Regional Clerk forward a copy of Report No. PW-28-22 to the City of Burlington, the Town of Halton Hills, the Town of Milton and the Town of Oakville for their information.

Included please find a copy of Report No. PW-28-22 for your information.

If you have any questions please contact me at the e-mail address below.

Sincerely,

A handwritten signature in blue ink, appearing to read "G. Milne", written over a light blue circular stamp.

Graham Milne
Regional Clerk
graham.milne@halton.ca

Regional Municipality of Halton

HEAD OFFICE: 1151 Bronte Rd, Oakville, ON L6M 3L1
905-825-6000 | Toll free: 1-866-442-5866

| | |
|------------|---|
| Report To: | Regional Chair and Members of Regional Council |
| From: | Andrew Farr, Commissioner, Public Works |
| Date: | July 13, 2022 |
| Report No: | PW-28-22 |
| Re: | Amendments to the Uniform Traffic Control By-law No. 1984-1 |

RECOMMENDATION

1. THAT Regional Council approve the amendments to the Uniform Traffic Control By-law No. 1984-1 to adopt the additions and deletions detailed in Attachment #1 to Report No. PW-28-22.
2. THAT the Director of Legal Services be authorized to prepare the amending By-law.
3. THAT the Regional Clerk forward a copy of Report No. PW-28-22 to the City of Burlington, the Town of Halton Hills, the Town of Milton and the Town of Oakville for their information.

REPORT

Executive Summary

- The Uniform Traffic Control By-law No. 1984-1 (the “Traffic By-law”) regulates parking restrictions, posted speed limits and various other traffic restrictions on Regional Roads.
- The purpose of this report is to obtain authority to amend the Traffic By-law No. 1984-1 to incorporate temporary changes made under the Commissioner of Public Works delegated authority as detailed in this report.
- Changes were made to posted speed limit schedules to facilitate long-term temporary changes due to capital construction projects.
- Amendments specific to individual Regional Roads recommended in this Report (Attachment #1) include: Guelph Line (Regional Road No. 1), Dundas Street

(Regional Road No. 5), Britannia Road (Regional Road No. 6), 10 Side Road (Regional Road No. 10) and Burnhamthorpe Road (Regional Road No. 27).

Background

The Uniform Traffic Control By-law No. 1984-1 regulates Regional parking restrictions, posted speed limits, various other traffic restrictions and operating characteristics of the Regional Road system. Staff periodically update the Uniform Traffic Control By-law to address changes associated with the implementation of capital improvements, operating characteristics and changes resulting from the roads rationalization process. Amendments detailed in this report include changes to speed limits, parking and stopping restrictions, U-Turn restrictions, prohibited turn restrictions and truck/load restrictions.

Through section 18 of By-law No. 1984-1, the Commissioner of the Public Works is authorized to post signs as they relate to a reduction of speed limit in construction zones and the installation of regulatory road signs. The duration of the delegated authority is 12 months as provided in the By-law.

Discussion

As detailed below and in Attachment #1, the purpose of this report is to obtain approval to amend the Uniform Traffic By-law to incorporate the recent changes made under delegated authority into the By-law, in an effort to mitigate and improve safety on Regional Roads.

1. Schedule "6" SECTION 5(9)(a)(v) No Stopping Anytime - Signs on Display

In order to mitigate risk "No Stopping Anytime" signs were installed at the following location to respond to, and improve, operational and safety concerns:

- Regional Road No. 5 (Dundas Street) north and south side, from Regional Road No. 22 (Appleby Line) to Regional Road No. 21 (Tremaine Road).

2. Schedule "16" No U-Turns Signs On Display

In order to mitigate risk, intersection "No U Turn Signs" were installed at the following location due to operational concerns:

- Regional Road No. 5 (Dundas Street) travelling westbound at William Cutmore Boulevard.

3. Schedule "18" SECTION 9(1)C Prohibited Turn Signs on Display

In order to mitigate risk, intersection "Prohibited Turn Signs" were installed at the following location due to operational concerns:

- Regional Road No. 20 (Appleby Line) travelling westbound turning southbound at No. 2 Sideroad, turn restriction from 3:00 pm to 6:00 pm.

4. Schedule “23”, Section 12(1) Rates of Speed – Signs On Display Changes

In an effort to mitigate risk, posted speed limit signs were installed on Regional Road No. 1 (Guelph Line) from 200 m north of Bluffs Way to 270 m south of Regional Road No. 6 (Britannia Road) to reduce the speed limit to 60 km/h. The 60 km/h posted speed limit is recommended due to the curvature of Regional Road No. 1 (Guelph Line) and the approach of the intersection of Regional Road No. 1 (Guelph Line) and No. 2 Side Road. The 60 km/h posted speed limit is consistent with other rural hamlets throughout the Region.

In an effort to mitigate risk related to motorists approaching the controlled T-Intersection of Regional Road No. 19 (Winston Churchill Boulevard) and Regional Road No. 10 (10 Side Road), posted speed limit signs were installed on Regional Road No. 10 (10 Side Road) from 300 m east of Tenth Line to Regional Road No. 19 (Winston Churchill Boulevard) to reduce the speed limit to 60 km/h and create a uniform speed zone.

In an effort to mitigate risk, posted speed limit signs were installed at the following locations to reduce the speed limit to 60 km/h due to long-term construction activities:

- Regional Road No. 3 (Trafalgar Road) 100 m south of Regional Road No. 8 (Steeles Avenue) to 250 m north of Regional Road No. 10 (10 Side Road);
- Regional Road No. 3 (Trafalgar Road) Regional Road No. 6 (Britannia Road) to Highway 401; and,
- Regional Road No. 5 (Dundas Street) 100 m west of Regional Road No. 20 (Appleby Line) to 280 m west of Regional Road No. 28 (Tremaine Road).

5. Schedule "26" SECTION 15(1)(2) Heavy Trucks Prohibited - Signs on Display

In order to align with the Regional Municipality of Peel's Heavy Trucks Prohibited signage on Regional Road No. 19 (Winston Churchill Boulevard) “Heavy Trucks Prohibited” signs were installed at the following location:

- Regional Road No. 10 (10 Side Road) from Tenth Line to Regional Road No. 19 (Winston Churchill Boulevard).

FINANCIAL/PROGRAM IMPLICATIONS

The cost of new signage and installation will be funded through the respective project in the Roads Capital Budget. In instances where the signage is part of regular maintenance, or a replacement, it will be funded through the approved Roads Operating Budget.

Respectfully submitted,



Rob Rivers CET
Director, Waste Management and Road
Operations



Andrew Farr
Commissioner, Public Works

Approved by



Jane MacCaskill
Chief Administrative Officer

If you have any questions on the content of this report,
please contact:

Rob Rivers

Tel. # 8289

Attachments: Attachment #1 – Summary of Amendments to the Uniform Traffic Control By-law No.
1984-1

| Amendments to the Uniform Traffic Control By-law No. 1984-1 | | | | | | |
|---|----------|---|---|---|-------------------|---------------------------|
| Schedule "6" SECTION 5(9)(a)(v) No Stopping Anytime Signs on Display | | | | | | |
| | Item No. | Highway(s) | Location From | Location To | Side(s) | |
| Add | 5.09 | Regional Road No. 5 (Dundas Street) | Regional Road No. 22 (Appleby Line) | Regional Road No. 21 (Tremaine Road) | North & South | |
| Schedule "16" No U-Turns Signs On Display | | | | | | |
| | Item No. | Intersection | Direction of Travel | | | |
| Add | 5.04 | Regional Road No. 5 (Dundas Street) at William Cutmor Drive | Westbound | | | |
| Schedule "18" SECTION 9(1)C Prohibited Turn Signs on Display | | | | | | |
| | Item No. | Highway(s) | Direction | Prohibited Turn | Intersection | Time(s) of Day(s) |
| Add | 20 | Regional Road No. 20 (Appleby Line) | Westbound | Southbound | No. 2 Sideroad | 3:00 pm to 6:00 pm |
| Schedule "23" Rates Of Speed - Signs On Display | | | | | | |
| | Item No. | Highway(s) | Location From | Location To | Speed | |
| Edit | 1.04 | Regional Road No. 1 (Guelph Line) | 200 m north of Bluffs Way | 270 m South of Regional Road No. 6 (Britannia Road) | 60 km/h | |
| Edit | 10.03 | Regional Road No. 10 (10 Side Road) | 300 m east of Tenth Line | Regional Road No. 19 (Winston Churchill Boulevard) | 60 km/h | |
| Add | 3.15 | Regional Road No. 3 (Trafalgar Road) | 100 m south of Regional Road No. 8 (Steeles Avenue) | 250 m north of Regional Road No. 10 (10 Side Road) | 60 km/h | Temporary construction |
| Add | 3.16 | Regional Road No. 3 (Trafalgar Road) | Regional Road No. 6 (Britannia Road) | Highway 401 | 60 km/h | Temporary construction |
| Add | 5.09 | Regional Road No. 5 (Dundas Street) | 100 m west of Regional Road No. 20 (Appleby Line) | 280 m west of Tremaine Road (Regional Road No. 22) | 60 km/h | Temporary construction |
| SCHEDULE "26" SECTION 15(1)(2) Heavy Trucks Prohibited - Signs on Display | | | | | | |
| | Item No. | Highway(s) | Location From | Location To | | |
| Add | 10.01 | Regional Road No. 10 (10 Side Road) | Tenth Line | Regional Road No. 19 (Winston Churchill Boulevard) | | |



VIA EMAIL

June 30, 2022

Legislative & Planning Services
Department
Office of the Regional Clerk
1151 Bronte Road
Oakville ON L6M 3L1

Heather Watt, Ministry of Municipal Affairs and Housing
Nancy Davy, Grand River Conservation Authority
Joshua Campbell, Credit Valley Conservation
Kellie McCormack, Conservation Halton
Kevin Arjoon, City Clerk, City of Burlington
Meaghen Reid, Town Clerk, Town of Milton
Vicki Tytaneck, Town Clerk, Town of Oakville
Valerie Petryniak, Town Clerk, Town of Halton Hills

Please be advised that at its meeting held Wednesday, June 15, 2022, the Council of the Regional Municipality of Halton adopted the following resolution:

RESOLUTION: LPS44-22 - Regional Official Plan Review – Policy Directions Report

1. THAT Report No. LPS44-22 be amended to remove Policy Directions RAS-1 and NH-6 to allow for further public consultation, to be reported back to Regional Council in the second quarter of 2023.
2. THAT staff be directed to develop policy for the Regional Official Plan that addresses the directions contained in the Policy Directions Report provided as Attachment #1 to Report No. LPS44-22, with the exception of Policy Directions RAS-1 and NH-6.
3. THAT the Regional Clerk forward a copy of Report No. LPS44-22 to the Ministry of Municipal Affairs and Housing, the City of Burlington, the Town of Halton Hills, the Town of Milton, the Town of Oakville, Conservation Halton, Credit Valley Conservation, and the Grand River Conservation Authority, for their information.

Included please find a copy of Report No. LPS44-22 for your information. Please note that the resolution adopted by Council differs from the staff recommendation in the report.

Attachment #2 "Supplemental Attachment #2 – Policy Directions Report Submissions and Response Chart" is published in the February 9, 2022 Council Workshop and can be accessed via the link below:

<https://edmweb.halton.ca/OnBaseAgendaOnline/Meetings/ViewMeeting?id=4287&doctype=1>

Regional Municipality of Halton

HEAD OFFICE: 1151 Bronte Rd, Oakville, ON L6M 3L1

905-825-6000 | Toll free: 1-866-442-5866

If you have any questions please contact me at the e-mail address below.

Sincerely,

A handwritten signature in blue ink, appearing to read 'G. Milne', with a large loop at the end.

Graham Milne
Regional Clerk
graham.milne@halton.ca

| | |
|------------|---|
| Report To: | Regional Chair and Members of Regional Council |
| From: | Bob Gray, Commissioner, Legislative and Planning Services and Corporate Counsel |
| Date: | June 15, 2022 |
| Report No: | LPS44-22 |
| Re: | Regional Official Plan Review – Policy Directions Report |

RECOMMENDATION

1. THAT staff be directed to develop policy for the Regional Official Plan that addresses the directions contained in the Policy Directions Report provided as Attachment #1 to Report No. LPS44-22.
2. THAT the Regional Clerk forward a copy of Report No. LPS44-22 to the Ministry of Municipal Affairs and Housing, the City of Burlington, the Town of Halton Hills, the Town of Milton, the Town of Oakville, Conservation Halton, Credit Valley Conservation, and the Grand River Conservation Authority, for their information.

REPORT

Executive Summary

- The Regional Official Plan Review is underway and will lead to amendments to the Regional Official Plan for Regional Council consideration that address a Halton perspective on a range of matters to address conformity with Provincial Plans and the Provincial Policy Statement.
- Given the July 2022 deadline to achieve conformity with the Provincial Growth Plan, Regional Council has adopted and the Province has subsequently approved Regional Official Plan Amendment (ROPA) 48 to define and implement the Regional Urban Structure for growth.
- A further Amendment, ROPA 49, has been developed further to Council direction in order to implement Halton's Integrated Growth Management Strategy. ROPA 49 will be considered by Regional Council in June and if adopted should ensure fulsome conformity with the requirements of the Growth Plan.

- The balance of the conformity issues, including important policy themes related to Climate Change, the Rural and Agricultural System, the Natural Heritage System, Indigenous Peoples, the North Aldershot Planning Area and General Plan Implementation, will follow in a Regional Official Plan Amendment to be introduced in early 2023.
- This report seeks direction to move from concepts and ideas discussed with the community on these important themes and into an exercise of policy development.
- A Policy Directions Report (Attachment #1) has been prepared to provide direction for these policy changes to the Halton Regional Official Plan to respond to conformity while addressing the feedback we have received from the community. The Policy Directions Report is comprehensive as it also describes key directions that have already been, or will be, satisfied through ROPA 48 and ROPA 49.
- This report recommends that staff be directed to develop policy for the Regional Official Plan that addresses the directions related to the key themes contained in the Policy Directions Report provided as Attachment #1.

Background

The current approved Halton Regional Official Plan establishes a comprehensive policy framework that determines how and where Halton will grow, while at the same time protects the Natural Heritage System, ensures the future of agriculture and the rural environment, addresses infrastructure needs and promotes healthy communities. The Province requires that going forward the Regional Official Plan reflects all current Provincial land use planning requirements, including planning to 2051, and additionally Halton must ensure it continues to meet the needs of the community today and in the years ahead.

The Regional Official Plan Review is being undertaken in three phases:

- Phase 1 of the Regional Official Plan Review resulted in the [Directions Report \(LPS110-16\)](#) approved by Council in 2016 that identified key theme areas and outlined the tasks and deliverables to be undertaken during the review;
- Phase 2 featured a series of Discussion Papers that enabled staff to facilitate conversations with the community around the following themes:
 - Regional Urban Structure (Integrated Growth Management Strategy) ([LPS56-20](#));
 - Rural and Agricultural System ([LPS53-20](#));
 - Natural Heritage ([LPS52-20](#));
 - Climate Change ([LPS54-20](#));
 - North Aldershot Planning Area ([LPS55-20](#)) and

- Downtown Burlington Major Transit Station Area and Urban Growth Centre Discussion Paper ([LPS89-20](#)).
- Phase 3 consists of the identification of policy directions, draft official plan policies, and the adoption of official plan amendments to implement the policy directions.

In accordance with the approach highlighted in Report No. [LPS51-21](#), the Regional Official Plan is being updated through three Official Plan Amendments, as follows:

1. An amendment to define a Regional Urban Structure - ROPA 48 which was approved with modifications by the Minister of Municipal Affairs and Housing on November 10, 2021.
2. An amendment for the implementation of the Region's overall Integrated Growth Management Strategy – Preferred Growth Concept (see Report No. [LPS25-22](#)). ROPA 49 has been prepared in draft to implement Halton's Integrated Growth Management Strategy and will be provided to Council with a recommendation in June 2022.
3. A future amendment to be introduced in early 2023 for the implementation of the balance of conformity updates related to Climate Change, the Rural and Agricultural System, the Natural Heritage System, Indigenous Peoples, the North Aldershot Planning Area and General Plan Implementation.

Discussion

There was extensive public engagement which followed the release of the Discussion Papers that allowed stakeholders and residents to provide input on the issues set out in the Papers. In engaging with the public, industry, agencies, Indigenous Peoples, Communities and First Nations, local municipal partners and other stakeholders, Regional staff received feedback that will help to ensure the Regional Official Plan meets the community's vision and goals. The majority of this engagement took place in 2020 after the release of the Discussion Papers and is summarized the [Initial Consultation Summary Report](#), was provided to Council February 17, 2021.

In the initial round of consultation, a range of methods were used to reach out to notify potentially interested parties about the Discussion Papers. This included newspaper advertisements, social media, letters and postcards, and website postings. Detailed questionnaires were provided online for interested parties to use to provide input. Six themed based Public Information Centres were held, in addition to meetings with Local Municipal Councils, Advisory Committees and stakeholders. Special efforts were made to reach out to people without internet access. In total there were 270 participants at virtual Public Information Centres, 364 submissions and inquiries on the Discussion Papers, 4,041 social media clicks and 19,123 website pages views.

While the majority of engagement is addressed in the [Initial Consultation Summary Report](#) there has been further engagement on the theme areas. For the most part, this further engagement has been focused on addressing issues which had been raised by stakeholders previously and gave Regional staff a chance to better understand the issues and explore options for resolutions. The activities have consisted of meetings and correspondence with landowners, stakeholders, the Natural Heritage Advisory and Halton Agricultural Advisory Committees, an Agricultural Working Group, and site visits. All of these activities and input have been documented as part of the overall public engagement process. In addition, some of the engagement on the Growth Concepts Discussion Paper did touch on the other theme areas, though they were not the focus. The input that has been received has been documented and considered in the preparation of Policy Directions, this was particularly the case for Rural and Agricultural System policy directions.

More detail is provided on each theme area where the Policy Directions Report outlines what was heard on each theme area and how that input was used in the preparation of specific policy directions. Wherever possible, the linkage between what was heard and specific recommended policy directions is set out in the background discussion.

Regional staff have kept detailed records of all input received to date through the Regional Official Plan Review; submissions were categorized based on the policy theme areas and opinions expressed were documented in a central database. In addition, Public Information Centres, meetings and questionnaire results were fully documented. The Policy Directions Report Submissions and Response Charts, which sets out the content of submissions received and the staff response is available as Attachment # 2 in the following links:

- [Part 1 - Public Authorities](#)
- [Part 2 - Advisory Committees and Stakeholders](#)
- [Part 3 - Public Submission – June 2020 to September 2020](#)
- [Part 4A - Public Submission – October 2020](#)
- [Part 4B - Public Submission – October 2020](#)
- [Part 5 - Public Submission - November 2020 to November 2021](#)
- [Part 6 – Indigenous People](#)
- [Part 7 – Additional Submissions](#)
- [Part 7 No. 1 - Additional Submissions - Mattamy Homes](#)
- [Part 7 No. 2 - Additional Submissions - North Oakville Community Builders](#)
- [Part 7 No. 3 - Additional Submissions - BILD](#)

Proposed policy directions are set out in detail in the attached Policy Directions Report, with a brief overview set out below.

Climate Change

In 2019, Halton Region confirmed its commitment to addressing climate change by declaring a Climate Emergency. The Region is working on multiple fronts to respond to climate change, including through land use planning. Through the review and update of the Regional Official Plan, the proposed Climate Change policy directions will enhance the existing policy framework by including policies that address both mitigating and adapting to climate change. Addressing climate change through the Regional Official Plan Review is important given the significant impact of land use policies on many aspects of this issue. Proposed Policy Directions include strengthen and enhance the Regional Official Plan's vision, goals, objectives, policies, and definitions so that the impacts of a changing climate are a key factor to consider in making decisions on growth and development and the protection of the Region's natural heritage, water resource, and agricultural systems and requiring the preparation of a Community Energy Plan as part of an Area-Specific Planning Process. These actions will contribute to the mitigation of the impacts of climate change in Halton.

Integrated Growth Management Strategy

The Policy Directions Report addresses matters related to the Integrated Growth Management Strategy to present a comprehensive picture even though they are being addressed via Regional Official Plan Amendments 48 and 49.

Rural and Agricultural System

The goal for the agricultural system as articulated in the current Regional Official Plan is to maintain a permanently secure, economically viable agricultural industry and to preserve the open-space character and landscape of Halton's non-urban areas. The focus of the proposed policy directions are to build on the existing policies and focus on planning for and protecting the Rural and Agricultural System in Halton Region. It is being recommended, among other things, that three new mutually exclusive land use designations be created: Prime Agricultural Areas, Rural Lands or Key Features to provide clarity about land uses in Halton's Rural Area. In response to concerns related to protect and support the farmers not just the farmland, it is being recommended in a specific Policy Direction that the Rural Agricultural Strategy be updated to address non-land use related matters to further support and strengthen the Rural and Agricultural System.

At a recent meeting of the City of Burlington Council on May 17, 2022, the following recommendations related to the Region's Draft Policy Directions Report were approved:

- *Express Burlington Council's concerns with respect to the viability of farming in Burlington under the Draft Policy Directions Report; and*
- *Request that Halton Region direct Regional planning staff to engage with stakeholders further to establish a concrete proposal with respect to guaranteeing the ongoing viability of farming in Burlington and Halton Region through Policy Directions, including approaches to mapping Key Natural Heritage Features, permitted uses in Key Natural Heritage Features, and*

alternative tools to site plan control for implementing Environmental Impact Assessment Requirements.

In response to the recommendations, Regional staff agree that viability of agriculture is an important objective that must be a key consideration for the long-term health, sustainability and prosperity of the region. The Policy Directions report contains many specific directions that either directly or indirectly support enhancing the viability of agriculture in Halton (see Directions RAS-2, RAS-3, RAS-5 and RAS-7 in Attachment #1). Staff are committed to continuing to engage the agricultural community on how the directions either manifest themselves through policy or other programs or initiatives the Region can take to support agriculture.

Natural Heritage System

The goal for the Natural Heritage System as articulated in the current Regional Official Plan is to increase the certainty that the biological diversity and ecological functions within Halton will be preserved and enhanced. The primary focus of the policy directions being proposed is on reflecting new and revised Provincial policy requirements, updating existing policies, and including new policies to address such matters as the Water Resource System and Natural Heritage Strategy. The Policy Directions as recommended will address such matters as incorporate mapping and policies in the Regional Official Plan that implement the new Natural Heritage System for the Growth Plan and updated policies on natural heritage from the Greenbelt Plan and the Niagara Escarpment Plan, as well as introducing a new policy in the Regional Official Plan that requires the Region to develop a Halton Region Natural Heritage Strategy.

Indigenous Peoples, Communities and First Nations

With respect to Indigenous Peoples, Communities and First Nations, the current Regional Official Plan has policies primarily related to Cultural Heritage (archaeology) and consultation that reference First Nations. It is proposed that going forward as part of the Regional Official Plan Review, the policies be updated to address all Indigenous Peoples and Communities (i.e. First Nations, Métis and Inuit) and a full range of their interests related to land use, particularly respectful relationship building and continuous engagement as appropriate, and Cultural Heritage (archaeology). Policy development in this area will be undertaken within the context of Halton Region moving forward in building and fostering reciprocal and meaningful relationships with Indigenous Peoples, Communities and First Nations and, in particular, the proposed Relationship Agreement with the Mississaugas of the Credit First Nation.

North Aldershot Planning Area

In the current Regional Official Plan the North Aldershot Policy Area is a mutually exclusive land use designation. The North Aldershot Policy Area policies of the current Regional Official Plan remain unchanged from the policies introduced through Regional Official Plan Amendment 2 from 1998. Since that time, the Provincial policy framework

has evolved significantly. The North Aldershot Policy Area designation and many of the existing permissions for this designation do not conform to the current Provincial policy framework and need to be updated. A “Rural Land” designation is being recommended for this area to reflect Provincial policy requirements and this approach is set out in the related policy directions. Servicing policies are also recommended for updating by being integrated with the policies applicable to the Rural and Agricultural System.

Implementation

In addition to the key theme areas, policy directions related to implementation tools and housekeeping improvements are being recommended. These will, among other things, improve the user experience for readers of the Official Plan, reduce policy duplication, remove policies not strictly related to land use planning, and improve coordination with other Region of Halton strategic documents.

NEXT STEPS

This report seeks direction to move from concepts and ideas discussed with the community on these important themes and into an exercise of policy development. The directions will inform the preparation of draft policy in the months ahead. Subject to endorsement of this report by Regional Council, staff will develop draft policies to form the basis of a future Regional Official Plan amendment addressing Climate Change, the Rural and Agricultural System, the Natural Heritage System, Indigenous Peoples, Communities and First Nations, the North Aldershot Planning Area and General Plan Implementation as set out in the Policy Directions Report. Staff anticipate reporting to Council in early 2023 to seek endorsement to release this draft Regional Official Plan Amendment for public and stakeholder consultations. The timing of this process is important to bring conclusion to Halton Region’s municipal comprehensive review and to enable Halton’s local municipal partners to advance their respective Official Plan updates as it relates to these matters.

FINANCIAL/PROGRAM IMPLICATIONS

The current approved budget for T8021D (Regional Official Plan Update) includes sufficient funding to facilitate the Regional Official Plan Review.

Respectfully submitted,



Curt Benson
Director, Planning Services and Chief
Planning Official



Bob Gray
Commissioner, Legislative and Planning
Services and Corporate Counsel

Approved by



Jane MacCaskill
Chief Administrative Officer

If you have any questions on the content of this report,
please contact:

Curt Benson

Tel. # 7181

Attachments: Attachment #1 – Policy Directions Report – Regional Official Plan Review
Attachment #2 – Policy Directions Report - Submissions and Response Chart



Policy Directions Report

May 25, 2022

Regional Official Plan Review

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1.0 Introduction

The current, approved Halton Regional Official Plan establishes a comprehensive policy framework that provides the basis for accommodating growth to 2031, protects the natural heritage system and permits and supports agricultural investments in the rural area. The Province requires that going forward, the Regional Official Plan reflects all current Provincial land use planning requirements, including planning to 2051, and also Halton must ensure it continues to meet the needs of the community today and in the years ahead. This Report sets out certain policy changes and enhancements being proposed to be part of a future Official Plan Amendment as part of the Regional Official Plan Review, as well as noting for reference purposes Amendments that have been approved or are already in process in this regard.

Halton's Regional Official Plan determines how and where Halton grows. This includes deciding where new businesses, jobs and housing should be accommodated, as well as which lands are preserved for farming, open space and natural areas. These decisions also help to determine where roads, transit corridors, utilities and other public infrastructure will be considered and constructed.

This Policy Directions Report sets out broad policy approaches to address certain issues that have been considered in the Regional Official Plan Review to date and indicate how they can be reflected in policy development in a future Amendment to the Regional Official Plan. The policy directions set out in this Report are based on the research and analysis and public engagement program that have been undertaken thus far, including Discussion Papers on each relevant theme area. This Policy Directions Report describes key areas where changes to the Regional Official Plan are proposed.

This Policy Directions Report addresses Climate Change, Integrated Growth Management, the Rural and Agricultural System, Natural Heritage, Indigenous Peoples, Communities and First Nations and the North Aldershot Planning Area theme areas, plus General Plan Implementation. This Policy Directions Report addresses matters related to the Integrated Growth Management Strategy to present a comprehensive picture even though they are being addressed via Regional Official Plan Amendments 48 and 49.

The Regional Official Plan Review is being undertaken in three phases.

Phase 1 of the Regional Official Plan Review, which resulted in the [Phase One Directions Report](#), identified key theme areas and outlined the tasks and deliverables to

be undertaken during the next two phases of the Regional Official Plan Review project. By endorsing the approach set out in the Phase One Directions Report Council supported the approach whereby the Regional Official Plan would be updated strategically where there was an identified need for updates, and not a full scale “repeal and replace” approach where a completely new Plan would be prepared.

Phase 2 featured a series of [Discussion Papers](#) for the five theme areas as a means to have a conversation with the community about issues and opportunities related to each theme. Input was sought from the public, industry, agencies, Indigenous People, Communities and First Nations, local municipal partners and other stakeholders. The feedback received to date was valuable in gaining perspectives on a full range of planning matters important to the community. This will ensure that the Official Plan and any future changes are reflective of community perspectives while addressing Provincial requirements. The development of the policy directions set out in this Report are based on the research and analysis that underpinned the Discussion Papers as well as the results from the engagement program in Phase 2.

Phase 3 consists of the identification of policy directions, draft official plan policies, and the adoption of official plan amendments to implement the policy directions, two of which are either approved (Regional Official Amendment 48) or in process (Regional Official Plan Amendment 49).

Regional Council endorsed the recommendation in [Staff Report LPS51-21](#) that the Regional Official Plan be updated via three Official Plan Amendments.

1. Amendment to Define a Regional Urban Structure:

The Province has confirmed that the Region can complete its municipal comprehensive review to achieve conformity with Provincial plans in phases, rather than as one overall amendment to the Regional Official Plan. Based on that confirmation, the Regional Council adopted Regional Official Plan Amendment No. 48, which defines a new Regional Urban Structure, ahead of the overall Integrated Growth Management Strategy. The Minister of Municipal Affairs and Housing approved the Amendment with modifications on November 10, 2021.

2. Amendment implementing the Region's overall Integrated Growth Management Strategy:

An amendment is required to implement the Region's Integrated Growth Management Strategy and the Modified Preferred Growth Concept that distributes population and employment growth to the Local Municipalities to 2041 and identifies a framework for planning for growth between 2041 and 2051. This amendment, known as Regional Official Plan Amendment No. 49, will implement changes that support Halton's growth strategy and address conformity with all relevant policies of the Growth Plan 2019, within the urban area. Regional Official Plan Amendment 49, should it be adopted by Council and approved by the Minister of Municipal Affairs and Housing, will address these matters. This amendment, if approved, would also address housing, and other important policy matters with a close relationship to growth management, including any necessary updates to the Regional Natural Heritage System mapping within the urban area.

3. An Amendment implementing updates to the Rural and Agricultural System, Natural Heritage, Climate Change and other outstanding matters:

Changes to the Regional Official Plan addressing the Rural and Agricultural System, Climate Change, and Natural Heritage policies and mapping for areas outside of the urban area to 2051 are required and will be addressed through a separate amendment that follows the amendments implementing the Integrated Growth Management Strategy. This will allow for additional community engagement, and engagement with the Local Municipalities and other public agencies, prior to finalization and adoption. The Policy Directions set out in this Report will primarily be addressed in this Amendment anticipated in 2023.

The Regional Official Plan Amendment Framework for Policy Directions chart in Appendix A sets out which policy directions have, or will be, included in each amendment. The Policy Directions for the Integrated Growth Management Strategy, which are being addressed through Regional Official Plan Amendments 48 and 49, are included on the chart for reference purposes only.

It should be noted that this Policy Directions Report is intended to set out broad policy directions, in the form of objectives or standards to be achieved, that will be refined further through the preparation of more detailed official plan policies during Phase 3. As such, in most cases what is presented in the Report is not intended to address technical aspects or every component of the Policy Direction being proposed.

2.0 Background

The Background Section provides information on the Provincial legislation and policy planning framework for the policy development work being undertaken in the Regional Official Plan Review. It also includes an overview of the public engagement aspect of the Regional Official Plan Review, and information concerning the climate change lens has been applied to all the policy changes that were being considered.

2.1 Planning Framework

The Region is required to review an existing Official Plan every five years to ensure that the Official Plan reflects current Provincial legislation and policy. Halton Region is undertaking the Regional Official Plan Review in accordance with Provincial requirements established in Section 26 of the *Planning Act*.

The last comprehensive review of the Regional Official Plan, completed in 2009, resulted in Regional Official Plan Amendments 37, 38, and 39, which implemented the policies of the Provincial Policy Statement, 2005, Growth Plan for the Greater Golden Horseshoe, 2006, and the Greenbelt Plan, 2005, amongst other key policy initiatives. Many of the policies in the Regional Official Plan remain current today.

Since 2009 there have been a number of updates to the Provincial policy framework. In accordance with Provincial requirements, the current Regional Official Plan Review will ensure consistency with the [Provincial Policy Statement, 2020](#), as well as conformity to [A Place to Grow: Growth Plan for the Greater Golden Horseshoe, 2019](#), the [Greenbelt Plan, 2017](#), and the [Niagara Escarpment Plan, 2017](#). The requirements in the Growth Plan with respect to planning for growth to the year 2051 and accommodating another 482,000 people and 222,000 jobs to meet the provincial requirement of 1,100,000 people and 500,000 jobs are particularly important.

The Discussion Papers ([Climate Change](#), [Regional Urban Structure Discussion Paper - Integrated Growth Management Strategy](#), [Rural and Agricultural System](#), [Natural Heritage System](#), and [North Aldershot](#)) produced in Phase 2 provided an overview of a key considerations for updating the mapping and policies of the Regional Official Plan to ensure consistency and conformity with the updated Provincial policy framework. Building on the Regional Urban Structure Discussion Paper, the [Downtown Burlington Urban Growth Centre and MTSA Supplemental Discussion Paper](#) addressed proposed specific changes to the Burlington Urban Growth Centre.

The policy directions in this Report represent proposed policy changes to the Official Plan based on extensive analysis and public engagement on the Discussion Papers. The policy directions identify a path forward for achieving consistency and conformity with Provincial plans and policies while also continuing to implement a vision in the approved Regional Official Plan for the future of Halton that considers the local context (i.e. the type of community Halton residents envision for the future).

2.2 Public Engagement

There has been extensive public engagement that has contributed to the policy directions set out in this report. In engaging with the public, industry, agencies, Indigenous Peoples, Communities and First Nations, local municipal partners and other stakeholders, Regional staff received feedback that will help to ensure the Regional Official Plan meets the community's vision and goals. While the majority of engagement is addressed in the [Initial Consultation Summary Report](#) there has been further engagement on the theme areas.

Regional staff reviewed the input received in response to the Discussion Papers in the context of Provincial policy and determined how the input could be addressed through the development of specific policy directions. This was undertaken by analyzing the input (support for one position or another and relevant technical information) to formulate policy directions reflecting what was heard. More detail is provided in each theme area setting out what was heard and how that input was used in the preparation of specific policy directions.

Regional staff kept detailed records of input received; submissions were categorized based on the topic area and opinions expressed were documented in a central database, as well Public Information Centres, meetings and questionnaire results were fully documented.

A report on the 2020 engagement exercise related to the five Discussion Papers and one Supplemental Discussion Paper, the [Initial Consultation Summary Report](#), was provided to Council February 17, 2021. For each Discussion Paper, high level information was provided on what is being considered and why the theme is important to this Review. The comments received were summarized to provide a high-level overview of the range of comments in a level of detail that was set out to fairly and objectively capture the perspectives of participants. The Initial Consultation Summary Report was an important component of the overall public engagement process in that it gave Council and Regional staff a good understanding of the range of public opinion on the various theme areas. The Initial Consultation Summary Report also set out

information on the public engagement process itself.

A range of methods were used to reach out to notify potentially interested parties about the Regional Official Plan Review project in general and the Discussion Papers in particular. This included newspaper advertisements, social media, letters and postcards, and website postings. Detailed questionnaires were provided online for interested parties to use to provide input. Six themed based Public Information Centres were held, in addition to meetings with Local Municipal Councils, Advisory Committees and stakeholders. Special efforts were made to reach out to people without internet access including having postcards sent to the rural areas of the Region and paper copies of the Discussion Papers being made available at pick-up points.

In total there were 270 participants at virtual Public Information Centres, 364 submissions and inquiries on the Discussion Papers, 4,041 social media clicks and 19,123 website pages views. Based on the level of participation and input in all aspects of the public engagement process, the process was considered successful based on a review of other similar exercises.

Since the release of the Initial Consultation Summary Report there has been further engagement on the theme areas. The activities have consisted of meetings and correspondence with landowners, stakeholders, the Natural Heritage Advisory and Halton Agricultural Advisory Committees, an Agricultural Working Group, and site visits. All of these activities and input have been documented as part of the overall public engagement process. In addition, some of the engagement on Growth Concepts Discussion Paper did touch on the other theme areas, though they were not the focus. The input that has been received by Regional planners has been documented and considered in the preparation of Policy Directions, this was particularly the case for Rural and Agricultural System policy directions.

This Policy Directions Report Submissions and Response Charts, which sets out the content of submissions received and the staff response is available online [here](#) as part of the package of information provided to Council at the Workshop meeting on February 9, 2022 related to the Preferred Growth Concept.

3.0 Policy Directions

The current Regional Official Plan has established a strong foundation for future land use in Halton. It sets out solid, well-reasoned policies to protect the Rural and Agricultural System and Natural Heritage, while facilitating well planned development as set out in Sustainable Halton, the previous Regional Official Plan update. In Halton's land use vision as established in the Regional Official Plan, the Region's future landscape will always consist of three principal categories of land uses: settlement areas, a rural countryside that includes an agricultural system, and a natural heritage system.

This section of the Policy Directions Report sets out the specific areas of policy that are proposed to be updated in the Regional Official Plan related to the theme areas, plus an outline of implementation policy changes that are being proposed. In certain instances, guidelines may be updated in concert with amendments to policy, some of which are mentioned below. Further, certain policy directions may be implemented through other corporate initiatives such as Halton Region Climate Change Response and Rural Agricultural Strategy.

3.1 Climate Change

3.1.1 Overview

The Regional Official Plan sets out a sustainable land use approach with policies implicitly responding to the impacts of a changing climate change. It does so by directing growth towards complete communities and away from natural heritage and agricultural lands. It also promotes a balanced transportation system, water conservation, improving air quality, and facilitating energy conservation. Halton Region has a long history of efforts to reduce greenhouse gas emissions, adapt to climate change and environmental sustainability. These efforts are rooted in many of its existing plans and strategies. Local Municipalities have also significantly addressed climate change through multiple plans, initiatives and programs.

In 2019, Halton Region confirmed its commitment to addressing climate change by declaring a Climate Emergency. The Region is working on multiple fronts to respond to the impacts of a changing climate, including through land use policy. Through the review and update of the Regional Official Plan, the Region will enhance the existing policy framework by including policies that address both mitigating and adapting to climate change. Addressing climate change through the Regional Official Plan Review

is important given the significant impact of land use policies. It has been shown that land use planning decisions create a “lock-in” effect whereby past decisions have a long lasting impact on energy use and behavioral patterns that impacts greenhouse gas emission for decades. Corporately, Halton Region’s Climate Change Response is addressing climate change matters that are not appropriately addressed through land use planning, the work includes corporate and community greenhouse gas emission reduction targets and greenhouse gas emission inventories.

The [Climate Change Discussion Paper](#) presented a number of considerations for improving the current climate change policy framework in the Regional Official Plan in accordance with updates to the Provincial Policy Statement, 2020 and Provincial plans. Further details and background information for the proposed policy directions can be found in the Discussion Paper.

This section of the Report is dedicated to policy directions specifically related to Climate Change. In this section there are recommendations for improving and updating the policies of the Regional Official Plan from a climate change perspective.

Climate Change Lens Being Applied in Other Theme Areas

Through the Regional Official Plan Review, Halton Region is reviewing Regional Official Plan policies for best practices and consistency with and conformity to Provincial plans and policies in addressing climate change. The review offers a great opportunity to build on the sustainability vision of the current Regional Official Plan. In doing so, a Climate Change Lens has been applied to all policy directions.

Addressing climate change covers many different policy areas including growth management, agriculture, and natural heritage. Because of this, many of the policy directions covered in this Report contribute to climate change mitigation and adaptation.



The symbol to the left has been used to identify the policy directions within the sections dedicated to other Regional Official Plan theme areas (e.g. Rural and Agricultural System) and includes a brief description of how the direction contributes to the Region’s response to climate change.

3.1.2 Policy Directions

This section outlines the proposed policy directions for planning for climate change in Halton Region.

Policy Direction - CC-1 – Strengthen and enhance the Regional Official Plan’s

vision, goals, objectives, policies, and definitions so that the impacts of a changing climate are a key factor to consider in making decisions on growth and development and the protection of the Region's natural heritage, water resource, and agricultural systems.

The Regional Official Plan achieves many of the policy directions identified in the updated Provincial Plans and the Provincial Policy Statement, 2020 but there are opportunities to enhance or strengthen the Regional Official Plan in responding to climate change.

Community feedback on the Discussion Paper indicated a strong desire for more direct links in the Regional Official Plan to climate change and stronger language reflective of the urgency of addressing the impacts of a changing climate.

It is recommended that existing goals, objectives, policies, and definitions within the Regional Official Plan be strengthened by highlighting their connection to climate change and providing more specific language throughout the Regional Official Plan. For example, the Region's planning vision will be proposed to highlight the importance of planning for the impacts of a changing climate and existing policies on a sustainable transportation system, compact built form, protection of the natural heritage system, and preservation of the agricultural area that will include references to the relationship with climate change.

Climate change mitigation and adaptation policies within the Regional Official Plan will accomplish the key objective in Halton Region's Strategic Business Plan 2019-2022 related to land use planning regarding responsible growth and quality of life.

Policy Direction – CC-2 – Enhance the policies in the Regional Official Plan that support a culture of conservation.

The Growth Plan requires municipalities to provide and implement land use policies in their official plan that supports a culture of conservation that focuses on water and energy conservation, air quality improvement and protection, integrated waste management, and excess soil. The Regional Official Plan achieves this Provincial policy requirement through policies that support water conservation and efficient use of water resources, but there are no existing references to water recycling and district energy.

This presents an opportunity to enhance existing policies to reflect the updated Provincial plans and policies and promote innovation in the way to manage resources.

Through consultation, Local Municipalities stated they would like to see the identification and implementation of energy-from-waste technology, encouragement for the adaptive reuse of existing building stock, and the reuse /recycling of building materials in the

development process.

It is recommended that existing policies on water and energy conservation and energy-from-waste technology be updated to emphasize the relationship these efforts have on the impacts of climate change. This policy direction would also update an existing Regional Official Plan policy to ensure that municipalities also regulate the management and reuse of excess soil in accordance with Provincial policies and plans. It is further recommended for the Region to also consider encouraging the adaptive reuse of existing building stock and building materials.

Policy Direction – CC-3 – Introduce new policies and enhance existing policies in the Regional Official Plan to undertake stormwater management planning in a manner that assesses the impacts of extreme weather events and incorporates appropriate Green Infrastructure and Low Impact Development solutions as part of an Area-Specific Planning Process.

The Growth Plan directs upper-tier municipalities to develop official plan policies that undertake stormwater management planning in a manner that assesses the impacts of extreme weather events and incorporates appropriate green infrastructure and low impact development.

Results of public engagement emphasized the importance of addressing climate change resiliency and adaptation within infrastructure planning. Comments received stated that the Regional Official Plan should include policies that ensure that climate change is considered through the master planning process, particularly for public infrastructure. Policies should address resiliency and adaptation as it relates to infrastructure and stormwater management. The Regional Official Plan should require the implementation of low impact development and green infrastructure stormwater management practices, where appropriate.

It is recommended that the Regional Official Plan introduce new policies and enhance existing approaches to stormwater management that assess the impacts of extreme weather events and incorporates appropriate low impact development, green infrastructure as part of the of the Area-Specific Planning Process.

Policy Direction – CC-4 – Introduce new policies in the Regional Official Plan that require the Region and the Local Municipalities to assess infrastructure risk and vulnerabilities, and identify actions and investments to address these challenges where appropriate.

The Growth Plan requires upper-tier municipalities to develop policies within their official plans that address assessing the risks and vulnerabilities of Regional infrastructure and identify actions and investments to address these challenges. In addition, Halton

Region's Strategic Business Plan 2019-2022 currently outlines an objective to ensure the resiliency of the Region's infrastructure.

Comments from the Local Municipalities indicated support for a risk and vulnerability assessment to identify risks and options for enhancing infrastructure resilience within the Region.

To further the Region's commitment to climate change response, it is recommended that the Regional Official Plan policies follow the direction of the Provincial Plans and address assessing the risks and vulnerabilities of Regional infrastructure, as well as identify actions, investments, and adaptation strategies to address these challenges. It is also recommended that Regional Official Plan policies encourage the use of green infrastructure where appropriate to increase infrastructure resiliency to climate change. This policy aligns with the Region's commitment to respond to climate change, as well as direct Local Municipalities to do the same when planning, designing, and constructing public infrastructure. Regional staff will explore the use of different tools like Community Improvement Plans, as a means to take action and invest in infrastructure resilience.

Policy Direction – CC-5 Introduce new policies in the Regional Official Plan that encourage the Local Municipalities to introduce and/or enhancing existing Green Development Standards for new development.

The Growth Plan requires upper-tier municipalities to develop policies in their official plan to identify actions that will reduce greenhouse gas emissions and address climate change adaptation goals in accordance with Provincial plans and strategies. One action that can assist with the reduction of greenhouse gas emissions and address climate change adaptation goals is the development of green development standards.

Green development standards are voluntary or mandatory measures made by municipalities to encourage to builders and developers to create developments using sustainable design and effectively respond to the impacts of a changing climate. Green development standards encourage the building sector to adapt to climate change by going beyond minimum standards to reduce energy waste and emissions in the built environment. These standards may also help to reduce greenhouse gas emissions by promoting electric vehicles and their infrastructure.

Comments from engagement indicated strong support to encourage the adoption of sustainable development guidelines/standards by the Local Municipalities.

It is recommended that the Regional Official Plan include new policies to encourage the use of green development standards for new development that can assist in achieving climate change adaptation goals and objectives. Such policies can further strengthen

and support the efforts of Halton's Local Municipalities in introducing and/or enhancing existing green development standards and implementing them through local Planning Act applications and tools. The Region will provide the Local Municipalities with green development standard best practices document and other resources in terms of staff expertise where possible to assist with this endeavor.

Policy Direction – CC-6 – To support the transition to low carbon communities, the Regional Official Plan will provide polices to promote renewable and alternative energy systems and require the preparation of a Community Energy Plan as part of an Area-Specific Planning Process.

The Growth Plan directs municipalities to develop and implement official plan policies and other strategies in support of energy conservation and efficiency. Regional staff propose meeting this Growth Plan requirement through the use of Community Energy Plans.

A Community Energy Plan ensures that energy is considered in the land use and infrastructure planning process and identifies opportunities to reduce energy usage and increase the use of renewable energy sources. Community energy planning may include the use of district energy systems, infrastructure to support electric mobility, and the retrofitting of homes and buildings for greater energy efficiency. Some of the key benefits of Community Energy Plans include emitting less greenhouse gas emissions, less strain on energy infrastructure, and improved resilience.

Comments received during the engagement process support community energy planning, and promoting alternative energy systems, district energy, and other sources of local renewable energy.

It is recommended that the Regional Official Plan require Local Municipalities to develop Community Energy Plans as part of the Area-Specific Planning Process. Community Energy Plans will serve to reduce energy consumption and greenhouse gases and seek opportunities to use renewable energy sources. It is also recommended that Regional staff provide guidance to assist Local Municipalities in defining requirements for a Community Energy Plan and should show consideration for energy generation, distribution, and storage, renewable energy, and district energy sources. The Region will also develop policies that promote net-zero communities, renewable energy systems, alternative energy systems, and district energy systems.

Consultation with Local Municipalities will be undertaken by Regional staff to confirm how energy and land use planning will be coordinated and implemented within Halton.

Policy Direction – CC-7 – Introduce new policies and enhance existing policies in the Regional Official Plan to promote urban agriculture and locally-sourced food

production.

Provincial Plans outline the importance of integrating climate change considerations into the planning and management of the Rural and Agricultural System to improve resilience and protect carbon sequestration potential. Agricultural lands have the capacity to function as large carbon sinks and therefore, it is important to ensure the resilience of the agricultural sector within Halton Region. Agriculture-related policies will be updated in the Regional Official Plan to ensure the relationship between climate change and agricultural lands is emphasized.

Comments indicated it is important for the Region to promote urban agriculture and locally-sourced food production to enhance food security, reduce transportation needs, and promote the farm-to-table concept.

It is recommended that the Regional Official Plan include policies that strengthen locally-sourced food production to reduce greenhouse gas emissions and provide for food security within the community through the inclusion of urban agriculture opportunities within settlement areas.

Policy Direction - CC-8 – Update existing subwatershed policies to include the consideration for the impacts of a changing climate as part of an Area-Specific Planning Process.

The Growth Plan requires upper-tier municipalities to develop policies that recognize the importance of watershed planning for the protection of the quality and quantity of water and the identification and protection of hydrologic features and areas. Further emphasis is placed on the importance of using the watershed as the ecologically meaningful scale for integrated and long-term planning, including the evaluation and preparation for the impacts of a changing climate, on the water resource and natural heritage systems, including severe weather events.

Comments supported a regional approach to use watershed planning as a mechanism to address climate change mitigation and adaptation opportunities, extreme weather events, and other climate change impacts to be addressed a watershed scale.

It is recommended that watershed planning (including watershed studies) be used as a mechanism to address climate change mitigation and adaption opportunities from a subwatershed scale throughout the Regional Official Plan.

3.2 Integrated Growth Management Strategy

3.2.1 Overview

The Integrated Growth Management Strategy is intended to advance municipal planning priorities around transit, growth, and development in the Region. This work will also ensure that Halton Region complies with Provincial planning requirements with respect to population and employment growth and development. The Integrated Growth Management Strategy is a critical component of the Regional Official Plan Review to ensure Halton Region remains a great place to live as our community grows.

The progress and development of the Integrated Growth Management Strategy is detailed in a series of reports:

- 1) [Growth Scenarios: Halton Region to 2041](#) (June 2019);
- 2) [Regional Urban Structure Discussion Paper](#) (May 2020);
- 3) [Growth Concepts Discussion Paper](#) (February 2021);
- 4) [Regional Official Plan Amendment No. 48](#) (July 2021);
- 5) [Draft Preferred Growth Concept Report](#) (February 2022); and
- 6) [Draft Regional Official Plan Amendment No. 49](#) (March 2022).

The Regional Urban Structure Discussion Paper presented the policy requirements of the Growth Plan 2019 and provided an update on the development of key urban structure elements including Strategic Growth Areas, Employment Areas, and Settlement Areas. It was implemented through ROPA 48 – “An Amendment to Define a Regional Urban Structure”, adopted by Regional Council in July 2021 and approved by the Minister of Municipal Affairs and Housing in November 2021.

The Growth Concepts Discussion Paper described four Growth Concepts which set out how to accommodate population and employment growth in the Region to 2051, and the technical analysis that underpinned them. The Discussion Paper also presented an evaluation completed by technical experts with input from Regional staff, Local Municipalities, Conservation Authorities, and Regional advisory committees. Subsequently, in response to Council direction, an additional Growth Concept designed to accommodate growth to the year 2051 without any urban boundary expansion for both community and employment areas was also evaluated. The findings from the Discussion Paper and the additional Growth Concept evaluation helped to inform the development of the Preferred Growth Concept.

The Draft Preferred Growth Concept Report presented, for Regional Council’s information, a Preferred Growth Concept for the accommodation of population and employment growth in Halton Region. The Preferred Growth Concept also identifies the proposed location of future settlement areas and employment areas based on land needs in the Region.

In February 2022, Regional Council directed staff to prepare a Modified Preferred Growth Concept that accommodates population and employment growth within

Halton's existing Regional Urban Boundary to 2041 and that identifies a framework for planning for growth from 2041. Based on this direction, Regional staff have prepared ROPA 49 – “An Amendment to Implement the Integrated Growth Management Strategy”. The amendment proposes to implement a growth strategy for Halton Region and proposes to implement the results of the Integrated Growth Management Strategy, including Regional Council's direction on a Modified Preferred Growth Concept as well as other changes to policies and mapping that support Halton's growth strategy.

3.2.2 Policy Directions

This section outlines the proposed policy directions related to Growth Management. The directions will address the Regional Urban Structure, Halton's Growth Strategy, Urban Servicing, Area-Specific Planning, Land Use Compatibility, and Housing.

Regional Urban Structure

Strategic Growth Areas

Policy Direction- IGMS-1 – Create a Regional Urban Structure and supporting policy framework to accommodate a significant amount of population and employment growth in Strategic Growth Areas.

The majority of feedback received from public and stakeholder engagement was supportive of directing growth to Strategic Growth Areas where growth can be concentrated. As such, this policy direction recommends that population and employment growth should be focused in specific growth areas for development including: Urban Growth Centres, Major Transit Station Areas (including Protected Major Transit Station Areas), and in Regional Nodes and Regional Corridors.

Major Transit Station Areas/Urban Growth Centres

Regional Official Plan Amendment 48 introduced a new enhanced Regional Urban Structure together with an updated policy framework for Strategic Growth Areas (formerly known as Intensification Areas), including adjustments to the Urban Growth Centre policies and boundaries, a new more-detailed policy framework for Major Transit Station Areas, and in particular the delineation of these areas and the setting of minimum density targets in the Regional Official Plan. This approach ensures that Halton Region can achieve the Provincial minimum density targets and plan for compact, high-density and mixed-use development.

Regional Nodes

Regional Official Plan Amendment 48 introduced a new category of Strategic Growth

Areas known as Regional Nodes. These include Primary Nodes, which are planned to accommodate growth and contain a concentration of public service facilities or transit-supportive high density mixed uses, or which perform a regional transit network function, and Secondary Nodes, which are historic downtown areas or villages, are intended to be a focus for mixed use intensification at a scale appropriate for their context.

Employment Areas in Strategic Growth Areas

The Region must establish a policy framework for planning for employment areas in Strategic Growth Areas. Planning for employment goes beyond just the Regional Employment Areas. The Growth Plan 2019 directs Major Office Employment and appropriate major institutional development to Strategic Growth Areas including Urban Growth Centres and Major Transit Station Areas. The Growth Plan also supports planning for commercial and retail activities in locations that support compact built form, active transportation, transit, and complete communities.

A policy framework was introduced in Regional Official Plan Amendment 48 that directs certain types of employment growth to Strategic Growth Areas through mixed use intensification that supports the area with a pedestrian-oriented urban environment.

Regional Corridors

Regional Corridors are an additional element of the Regional Urban Structure for which policies and mapping are to be developed. Regional Corridors are higher-order transit corridors that perform an important transit network function, but also have a role in accommodating transit-supportive development. Regional Corridors were not addressed in Regional Official Plan Amendment 48, but will form part of the upcoming Regional Official Plan Amendment to implement the Integrated Growth Management Strategy.



A Regional Urban Structure, including assigning density targets in Strategic Growth Areas, ensures that growth supports existing and future transit service. Focusing higher densities in transit supportive, walkable, and well-served areas is important because private vehicles account for about 90% of weekday trips in Halton, which further contributes to the Region's greenhouse gas emissions (Transportation Tomorrow Survey, 2011).¹

Employment Areas

Policy Direction – IGMS-2 – Confirm the boundaries of the existing Regional Employment Areas and advance Strategic Employment Land Conversions.

Through the Municipal Comprehensive Review, the Region must designate all

Employment Areas in the Regional Official Plan and protect them for appropriate employment uses over the long-term. The Regional Official Plan Review provides an opportunity to assess the existing Employment Areas identified in the Regional Official Plan and to confirm the location of lands that should be identified and protected as Employment Areas.

Through Phase 2 of the Regional Official Plan Review and as detailed in the Regional Urban Structure and Growth Concepts Discussion Papers, the Region undertook the following review of the existing Regional Employment Areas:

- **Technical Revisions:** Review of existing Employment Area boundaries in the Regional Official Plan to identify any appropriate technical changes that would increase the accuracy and appropriateness of the existing Employment Area boundaries.
- **Conversions:** An assessment of whether any lands within existing Employment Areas are candidates for conversion. Initial recommendations on potential conversions were included in [Appendix C2](#) to the Growth Concepts Discussion Paper and some priority conversions that support the Regional and Local Urban Structures were advanced through Regional Official Plan Amendment 48.
- **Additions:** An assessment of whether any lands within the existing Urban Areas in the Regional Official Plan, but outside the existing Employment Areas, are potential candidates for addition.

This policy direction will be implemented in accordance with the final summary of proposed changes to the Regional Employment Areas as attached to the Preferred Growth Concept Report (Draft). This summary document provides a review of the approach to assessing the existing boundaries and considering employment conversion requests and identifies the conversions, additions, and technical revisions to the existing Regional Employment Areas being recommended as a part of the Integrated Growth Management Strategy. It should be noted that certain conversions have already been adopted by Regional Council through Regional Official Plan Amendment 48.

Policy Direction – IGMS-3 – Update the Regional Employment Areas policy framework to provide clarity on permitted uses and to identify opportunities for intensification of employment uses.

The Growth Plan does not allow employment areas to be planned for residential uses and does not allow for or limits other sensitive land uses that are not supplementary to a primary employment use. Municipalities may also not allow major retail uses within Employment Areas, or where they are permitted, establish a size or scale threshold for such uses.

Feedback and submissions received during the engagement process generally noted the importance of providing clear policies related to planning for employment areas, enabling an appropriate degree of flexibility for uses within employment areas, and supporting opportunities for the intensification of employment uses.

This policy direction recommends updating the policy framework for the Employment Areas designated in the Regional Official Plan to:

- clarify the policy direction for uses that are supplementary to and supportive of primary employment uses, sensitive land uses, and existing uses;
- clarify the policy direction for existing major retail uses;
- recognize the specific contexts of new and established employment areas;
- update the policy direction related to institutional uses; and
- include direction that encourages the intensification of employment uses.

Halton's Growth Strategy

Policy Direction - IGMS-4 — Set an Ambitious and Achievable Intensification Target for the Region and Local Municipalities.

The Growth Plan requires that a minimum of 50% of all residential development occurring annually within Halton Region be located within the delineated Built-up Area, as well as directing growth to existing Designated Greenfield Areas to minimize urban boundary expansions. However, Policy 2.2.2.4 of the Growth Plan permits Regional Council to request an alternative target to the 50% minimum intensification target. This request must be based on a demonstration that: the 50% minimum target cannot be achieved; and, the alternative target will be appropriate given the size, location, and capacity of the Delineated Built-Up Area. Growth should also be accommodated through compact development and directed to Settlement Areas that have a Delineated Built Boundary, existing or planned municipal water and wastewater systems, and locations where complete communities can be created.

During the engagement process feedback received indicated support for directing growth to areas that can already accommodate intensification, such as existing and new urban areas. As such, this policy direction recommends addressing the 'intensification first' intent of the Growth Plan by accommodating over 80% of residential development within the combined Built-Up Area and existing Designated Greenfield Area, thereby minimizing the need for urban boundary expansion. This strategy is based on a proposed alternative intensification target of 45%, as contemplated by the Growth Plan (compared to the minimum intensification target for growth directed to Built Up Area of 50%). This approach includes additional "densification" of Strategic Growth Areas outside the Built-Up Area recognizing planned growth within these areas, particularly within the corridors. The specific intensification target and rate of densification that is achievable was determined through the completion of a Land Needs Assessment as

required by the Growth Plan. The targets will be implemented through an Integrated Growth Management Strategy Regional Official Plan Amendment.



Setting ambitious and achievable intensification targets for Halton Region and its Local Municipalities will result in more efficient use of land and infrastructure, support building compact and complete communities, support active transportation and transit, and reduce the need to expand into agricultural areas. Therefore, establishing ambitious and achievable intensification targets will help reduce greenhouse gas emissions and support community resiliency.

Policy Direction – IGMS-5 – Update Housing Mix Targets in the Regional Official Plan to establish a broad range and mix of housing in the Region.

The Regional Official Plan currently outlines how many low, medium, density units and high density units should be planned for to the year 2031. The Regional Official Plan should be updated to reflect the establishment of a new appropriate range and mix of housing that both maintains an adequate supply of ground-related housing, while significantly shifting the mix towards higher density apartment housing types.

The Modified Preferred Growth Concept housing mix has considered the provision of a market-based supply of housing as required by the Provincial Land Needs Assessment Methodology. Housing affordability and the protection of rental housing has also been considered through the Regional Official Plan Review and this policy directions report, including strengthening and broadening Regional Official Plan policies related to inclusionary zoning, preventing loss of rental housing, and directing Local Municipalities to achieve an affordable housing mix target. It is also recommended that the Regional Official Plan be updated to include policies to direct Local Municipalities to consider the use of available tools to require that multi-unit residential developments incorporate a mix of unit sizes to accommodate a diverse range of household sizes and incomes.

Through the engagement process several comments highlighted the importance of providing a diverse and affordable housing mix for current and future residents. This policy direction addresses public and stakeholder feedback related to providing a balance of affordable and diverse housing options that fosters transit-supportive and complete communities.



Updating the range and mix of housing in the Region can support transit growth and ridership and more compact patterns of development that can foster walkability and reduce single-occupancy vehicle-dependence. In addition to helping to reduce auto-dependence, a healthy mix of housing, especially higher density forms, where appropriate, can reduce the Region's greenhouse gas emissions.

Policy Direction – IGMS-6 – Establish a Regional Urban Boundary to support population and employment growth.

The Growth Plan requires municipalities to delineate a settlement area boundary, which includes allowing municipalities to consider urban boundary expansion through a municipal comprehensive review. Feedback from public and stakeholder engagement highlighted the importance of considering whether or not a Regional urban boundary expansion would be needed to support population and employment growth to 2051.

The Regional Urban Boundary has been determined through the development of the Modified Preferred Growth Concept and represents the existing urban areas in Halton. The boundary will be delineated through the Regional Official Plan Amendment to implement the Integrated Growth Management Strategy. To protect prime agricultural areas and natural heritage systems, the Integrated Growth Management Strategy has assessed the potential impacts from Regional urban boundary expansion through technical studies and analyses, including an Agricultural Impact Assessment and Natural Heritage System and Water Resources Assessment.

Through the Regional Official Plan Review, staff reviewed and considered landowner requests for urban boundary expansions that may influence the Regional Urban Boundary area delineation. In accordance with Regional Council's directions the Modified Preferred Growth Concept does not include any additional lands in the urban/settlement area.

Additionally, to address technical errors, minor revisions to the mapping of the Settlement Areas in the Regional Official Plan are necessary.



Delineating a Regional Urban Boundary that protects and enhances the Rural and Agricultural System and Natural Heritage System supports climate change resilience through preserving natural features for important ecosystem functions and natural hazard management, such as wetlands and floodplain areas. Additionally, both systems play an important role in carbon sequestration, which can offset or capture greenhouse gas emissions.

Policy Direction – IGMS-7 – Set Community Designated Greenfield Area Targets for the Region and Local Municipalities.

The Growth Plan establishes the minimum Designated Greenfield Area density target for Halton Region at 50 residents and jobs combined per hectare. The Modified Preferred Growth Concept sets a minimum density target for new Community Designated Greenfield Area, which substantially exceeds the minimum 50 people/jobs per hectare target of the Growth Plan, and is in the range of 65 people/jobs per ha, reflecting densities being achieved in the existing Designated Greenfield Area. The final density targets, established through the Modified Preferred Growth Concept, will

be incorporated into the Regional Official Plan Amendment implementing the Integrated Growth Management Strategy.



Setting Community Designated Greenfield Area density targets will result in more efficient use of land and infrastructure, support building compact and complete communities, support active transportation and transit, and reduce the need to expand into agricultural areas. This will help reduce greenhouse gas emissions and support community resiliency.

Policy Direction – IGMS-8 – Establish Employment Area Density Targets for Regional Employment Areas.

Through the Municipal Comprehensive Review, the Region must establish minimum density targets for all Employment Areas in accordance with the requirements of the Growth Plan. The Growth Plan directs that the density targets must reflect the current and anticipated type and scale of employment of the area and reflect opportunities for intensification, where appropriate.

The Modified Preferred Growth Concept establishes a minimum Employment Area density target, based on the detailed Land Needs Assessment, which encourages greater densities in Employment Areas. It is recommended that the Region identify an overall density target for the Employment Areas in the Regional Official Plan as well as targets for each Local Municipality that are reflective of the local context. Tables and Employment Area policies in the Regional Official Plan will need to be updated to reflect these targets.

This policy direction ensures that the Region identifies appropriate employment density targets that encourage employment area intensification and provides for a range of opportunities to accommodate employment growth in the long-term.



Setting employment area density targets will result in more efficient use of land and infrastructure, support building compact and complete communities, support active transportation and transit, and reduce the need to expand into agricultural areas. This will help reduce greenhouse gas emissions and ensure communities are more resilient to the impacts of a changing climate.

Policy Direction – IGMS-9 – Identify and provide sufficient employment land supply based on the Land Needs Assessment to provide a complete range of employment opportunities.

Employment Areas are protected over the long-term for jobs, business and economic activities. Regional Official Plan policies direct employment to Community Areas and Employment Areas and prohibit residential and other non-employment uses within Employment Areas. Currently, the Regional Official Plan maps Employment Areas as an overlay and identifies Future Strategic Employment Areas which are lands

outside the current Settlement Areas, but located nearby major goods movement facilities, transportation corridors. The Province also identifies Provincially Significant Employment Zones within Halton Region for long-term planning for job creation and economic development.

Throughout the engagement, there was general support for shifting the accommodation of employment growth to more compact, higher density forms (i.e. Major Office Employment) in mixed use and transit supportive areas.

To address the evolving nature of employment in Halton and to respond to engagement feedback that Halton should provide diverse job opportunities and employment land supply, a large share of employment will need to be in Major Office Employment (office jobs contained within free-standing buildings that exceed size thresholds identified in the Land Needs Assessment Methodology and Growth Plan). A substantial share of employment growth will need to remain in the Employment Land Employment (jobs found primarily in industrial-type buildings, the vast majority of which are located in business parks and industrial areas).

The Modified Preferred Growth Concept provides a complete spectrum of employment opportunities to accommodate employment growth through:

- a. Shifting employment from the Employment Land Employment category to the Major Office category to both recognize the benefits of fostering Major Office Employment and its role in creating mixed-use, transit-supportive complete communities, and to minimize the need for additional employment land.
- b. Providing an adequate supply of new employment land to accommodate manufacturing, logistics/warehousing (i.e. Employment Land Employment) growth, ensuring that the strong demand for larger sites with highway access can be met in the Region.

It is recommended that the final employment land supply and employment growth allocation identified in the Modified Preferred Growth Concept be incorporated into the Regional Official Plan Amendment implementing the Integrated Growth Management Strategy.



By shifting employment from Employment Land Employment to Major Office Employment, the Region will better connect areas with high employment densities to transit. Focusing office uses to locations that are planned to be active transportation and transit supportive should reduce single-occupancy vehicle trips and reduce greenhouse gas emissions.

Development Phasing

Policy Direction – IGMS-10 – Strengthen and clarify existing Development Phasing Policies for the Region and Local Municipalities.

A key principle of the Modified Preferred Growth Concept is the direction related to phasing of development, which ensures that future development proceeds in a manner that prioritizes efficient use of land, as well as financing and construction of infrastructure. This requires a strong commitment from the Province and other agencies to plan, finance, and commission infrastructure to service growth in keeping with the Growth Plan. Regional Council has identified areas of investment in Provincial infrastructure (e.g. schools, transit, and hospitals, etc.) that must be advanced in order to support growth in Halton. To support this policy direction, revisions will need to be made to Regional Official Plan mapping and related phasing policies and tables.

This policy direction relates broadly to feedback received during the engagement process that Halton should plan for compact and complete communities. Achieving this requires the supporting infrastructure and development to be phased and implemented in an efficient and cost-effective manner.

Urban Servicing

Policy Direction – IGMS-11 – Direct the growth to Settlement Areas in order to maximize efficient use of existing or planned urban services.

It is important that the Regional Urban Structure identifies the most appropriate areas to accommodate future urban development so that there is sufficient servicing capacity to accommodate existing development and future population and employment growth. Proposed Settlement Area Expansions must be serviced by existing or planned municipal water and wastewater systems capacity without impacting future intensification opportunities in the existing Settlement Area.

It is recommended that the vast majority of growth should be directed to Settlement Areas that have a Delineated Built Boundary, existing or planned municipal water and wastewater systems, and that can support the achievement of complete communities. The final direction for urban servicing will be established through the Modified Preferred Growth Concept and in consultation with Local Municipalities. Urban servicing must also be informed by multi-year master plans. Consultation with the Local Municipalities will be required to ensure alignment with Regional and Local urban service priorities and plans.

This policy direction relates more broadly to feedback received during the engagement process that Halton should accommodate growth in areas that can support intensification. Achieving this requires consideration for existing and planned urban

servicing to ensure there is sufficient capacity to support current and future residents.



The efficient use of land and infrastructure can contribute to climate change resilience through identifying areas where an appropriate capacity of urban services can support both existing communities and future growth. This can provide opportunities for climate change mitigation and adaption through optimized planning for infrastructure, coordinated water and wastewater services, green infrastructure and innovative technologies.

Area-Specific Planning

Policy Direction - IGMS-12 – Clarify study and policy requirements for Area-Specific Plans in the Regional Official Plan to differentiate between Designated Greenfield Area and redevelopment/intensification contexts.

The Regional Official Plan requires the Local Municipalities to prepare Area-Specific Plans (such as Secondary Plans) for major growth areas, including the development of Designated Greenfield Areas or the redevelopment of communities. However, the current list of requirements does not provide detailed study requirements or differentiate between planning for Designated Greenfield Areas and planning for redevelopment / intensification in the built-up area although planning in these contexts is very different. For instance, planning for servicing, environmental study requirements, and land use compatibility considerations vary depending on context.

Planning for potential new growth and intensification areas requires the completion of several studies to inform Area-Specific Plans (such as Secondary Plans). These exercises are important and take time to complete and must await the confirmation of growth allocations through the Regional Official Plan.

As such, it is recommended that the Regional Official Plan be updated to differentiate between Area-Specific Plans (such as Secondary Plans) prepared in the Designated Greenfield Areas and plans prepared in the Built-up Area and provide clear direction on policy and study requirements.

Land Use Compatibility

Policy Direction – IGMS-13 – Update land use compatibility policies in the Regional Official Plan in accordance with Provincial plans and policies.

Recent updates to the Provincial Policy Statement in 2020 introduced additional direction to municipalities for planning for land use compatibility. As a result, the land use compatibility policies in the Regional Official Plan need to be updated in accordance with this direction.

Initial updates to the way the Regional Official Plan addresses land use compatibility were included in Regional Official Plan Amendment 48. In this Amendment, direction is provided on planning to ensure the long-term operational and economic viability of major facilities, and achievement of land use compatibility between major facilities and sensitive land uses within or adjacent to Strategic Growth Areas.

Through the engagement period, submissions were received noting concerns (i.e., air quality impacts) related to sensitive land uses within or adjacent to Strategic Growth Areas and the need for better consistency and alignment with Provincial plans and policies related to land use compatibility. To address land use compatibility comprehensively throughout the Regional Official Plan, it is recommended that these changes be implemented through a future Regional Official Plan Amendment.

Housing

Policy Direction – IGMS-14 – Strengthen inclusionary zoning policies introduced through Area-Specific Plan requirements under Regional Official Plan Amendment 48 by establishing complementary housing objectives and policies.

Inclusionary zoning is a new tool under the Planning Act which allows municipalities to require that a proportion of large-scale new residential developments (10 units or more) within Protected Major Transit Station Areas (and development permit system areas) include affordable housing units. As a part of the recommendations put forward in Regional Official Plan Amendment 48, Local Municipalities are required to establish affordable housing targets and inclusionary zoning policies based on the completion of an assessment report prepared in consultation with the Region. This policy direction will be enhanced by supportive objectives and policies within the housing section of the Regional Official Plan.

During public engagement, input was received that inclusionary zoning should be considered as a tool to achieve housing objectives, including housing affordability. As such, it is recommended that the Regional Official Plan be updated to include policies for Inclusionary Zoning in Protected Major Transit Station Areas to facilitate Affordable Housing. The Regional Official Plan should establish objectives and policies supporting the implementation of Inclusionary Zoning in Local Official Plans to authorize a minimum proportion of affordable units, as well as a depth and duration of affordability, within residential and mixed use buildings.

Policy Direction – IGMS-15 – Broaden policies permitting the creation of additional residential units within and ancillary to detached houses, semi-detached houses, and townhouses.

In 2011, through Bill 140, the *Planning Act* was revised to direct municipalities to permit second residential units within a primary dwelling. Since that time, second residential units have become an important component for enhancing the availability of affordable housing in our community. In 2019, through Bill 108, the *Planning Act* was revised, in part to increase housing options and supply, and the second residential unit policies introduced through Bill 140 were broadened to direct municipalities to permit concurrently additional residential units both within a primary dwelling and an ancillary structure.

Currently, the Regional Official Plan contains few policies related to permitting secondary residential units within an existing dwelling in a residential neighbourhood. It

is recommended that the Regional Official Plan be updated to include policies to permit additional residential units, consistent with 2019 revisions to the *Planning Act*. Choice, affordability, and availability of housing options would be enhanced through policies and zoning bylaws permitting up to three residential units in association with a detached house, semi-detached house or townhouse in urban areas and in rural areas subject to criteria.

It is recommended that the Regional Official Plan be updated to include policies to permit additional residential units concurrently within a primary dwelling and ancillary structure to provide opportunities for a broad range and mix of housing options and to address affordability.

Broadening policies to permit additional residential units addresses comments received during the public and stakeholder engagement process that were supportive of providing more diverse housing options for residents.

Policy Direction – IGMS-16 – Strengthen policies to prevent the loss of rental housing and to mitigate the impacts of rental conversion or replacement on tenants and the rental market.

When rental housing stock ages and requires replacement, communities risk losing the unit sizes, types, and depths of affordability provided through the existing rental units. To ensure affordable options are maintained, Local Municipalities may prohibit the demolition of rental housing units in structures of six or more dwelling units where specific conditions are not met. These conditions may include the requirement that rental units are replaced with units of similar sizes and prices.

When rental housing stock is demolished for replacement or conversion, the local rental market may be strained by a temporary loss of units. Enhanced Local Official Plan policies would enable municipalities to require fulsome tenant relocation and assistance beyond the minimum standards required by the Residential Tenancies Act to mitigate the effects of the demolition on both tenants and the local rental market.

Currently, the Regional Official Plan encourages all levels of government to stimulate the construction of rental Market Housing and requires municipalities to maintain a minimum rental vacancy rate of 3 percent to allow for existing rental housing to be converted to ownership tenure or other uses or the demolition of such housing. However, it is recommended that rental conversion policies be updated to direct and/or encourage the Local Municipalities related to:

- when demolition/replacement is permitted, regulate the demolition of existing residential rental units such that replacement rental units must include the same or higher number of units of comparable sizes, types and affordability
- when demolition/replacement is permitted, require the development proponent to facilitate tenant relocation and assistance programs.

This policy direction relates to feedback from engagement that opportunities should be explored to provide broad range and mix of housing and ensure housing affordability for existing and future residents.

Policy Direction – IGMS-17 – Provide additional direction to Local Municipalities to support the achievement of Halton Region’s 30% affordable unit mix target through Area-Specific Plans.

The Regional Official Plan should be updated to clarify Area-Specific Plan requirements related to affordable housing in order to ensure that the Region can achieve an affordable housing mix across all Local Municipalities. This allows the Region to balance planning to achieve Regional targets with considering Local Municipalities’ needs. While municipalities cannot mandate the creation of affordable housing outside of major transit station areas and development permit system areas subject to inclusionary zoning, Area-Specific Plan policies may be used to create conditions supporting the creation of affordable housing.

This policy direction relates to feedback from engagement that opportunities should be explored to provide a full range of housing options and ensure availability of affordable housing for existing and future residents.

3.3. Rural and Agricultural System

3.3.1 Overview

Halton Region is home to a productive agricultural sector based on outstanding soils, a favorable climate and a community of farmers that have an active and passionate interest in farming. Overall, the majority of the rural area in Halton Region is classified as prime agricultural land.

Halton’s planning vision incorporates the concept of “sustainable development” which “meets the needs of the present without compromising the ability of future generations to meet their own need”. Preserving Prime Agricultural Areas is a critical factor for

sustainable development as well as protecting the natural environment, enhancing economic competitiveness and fostering a healthy society. The goal for the agricultural system as articulated in the current Regional Official Plan is to maintain a permanently secure, economically viable agricultural industry and to preserve the open-space character and landscape of Halton's non-urban areas. Collectively, prime agricultural lands as well as rural lands make up the Rural and Agricultural System.

There are agricultural lands that also form part of the Natural Heritage System. The objectives of the Natural Heritage System support agriculture as a complementary and compatible use outside of Key Features.

The Rural and Agricultural System Discussion Paper presented a number of considerations for updating the mapping and policies of the Rural and Agricultural System in the current Regional Official Plan to ensure consistency and conformity with the Provincial Policy Statement, 2020 and Provincial plans. Further background information for the proposed policy directions can be found in the Rural and Agricultural System Discussion Paper.

3.3.2 Policy Directions

This section outlines the proposed policy directions for planning for, enhancing and protecting the Rural and Agricultural System in Halton Region.

Policy Direction – RAS-1 – Create three new mutually exclusive land use designations: Prime Agricultural Areas, Rural Lands and Key Features to provide clarity about land uses in Halton's Rural Area.

At the present time, the Regional Official Plan identifies a Regional Natural Heritage System designation and an Agricultural Area designation which incorporates prime agricultural areas and areas outside of prime agriculture. The Provincial Policy Statement, 2020, Growth Plan and Greenbelt Plan now provides clear direction that planning authorities shall designate prime agricultural areas. Further, the Growth Plan and Greenbelt Plan specify that the Natural Heritage System for the Growth Plan and Greenbelt Natural Heritage System should be an overlay outside of settlement areas. Key natural heritage features will be designated where they overlap with prime agricultural areas and rural lands to reflect the policy restrictions that protect these features.

While there were differing opinions across a broad range of stakeholders, through the engagement questions on the Rural and Agricultural System Discussion Paper, there was broad support to include prime agricultural areas and natural heritage features as designations with components (i.e. buffers, enhancements and linkages) of the Natural Heritage System being identified as an overlay. Comments noted that this will increase

clarity, transparency and ease of use for stakeholders to determine applicable policies and permissions that pertain to each designation and overlay in the Regional Official Plan. This approach strikes a balance between the preservation of agricultural land and the protection of the environment, both being important Regional priorities. During Phase 2 of the Regional Official Plan Review, an alternate mapping approach was presented to the Region for consideration.

Regional staff recommend designating lands in the Rural Area as Prime Agricultural Area, Rural Lands and Key Natural Heritage Features (see policy direction NH-6 and Appendix B - Mapping Option 2: Prime Agricultural Area and Key Features are designated with a Natural Heritage System overlay) to clearly identify where agricultural uses can occur, create a continuous land base for agriculture and to provide for long term protection of agricultural land. As described in policy direction NH-6, the Natural Heritage System overlay will overlap with the Key Features designation to continue to achieve a scientifically structured systems approach that will meet the goal of long-term protection and enhancement of natural features and functions within Halton. The natural heritage policies in the Regional Official Plan will apply to both the Key Features as a designation and the system as an overlay, thus maintaining the same preservation and protection to the system as whole.

Establishing a Rural Lands designation also identifies additional lands used for agriculture that are important to the Agricultural System and provides the Region with the ability to consider additional permissions that may not be appropriate in prime agricultural areas. Collectively, prime agricultural areas and rural lands provide a continuous productive land base as part of the Agricultural System.

Prime agricultural areas were determined from the Land Evaluation and Area Review (LEAR) scores completed by Halton Region in 2009 and more recently by the Province, using a slightly different methodology. Areas that did not meet the definition of prime agricultural areas are to be designated as rural lands. The Province has also identified candidate lands that could be considered prime agricultural areas or rural lands and the Region has undertaken an assessment of these lands to recommend which category they should fall within. This determination was based on a number of factors including soil type, current farming on the land, farm infrastructure, lands adjacent, topography and border alignment with neighbouring municipalities where possible. Technical errors were also noted.

Regional staff have recently become aware of an issue related to rural lands that are located in the Niagara Escarpment Protection Area. The Provincial Policy Statement, 2020 1.1.5.2 d) and Greenbelt Plan policy 3.1.4 permits agriculture-related and on-farm diversified uses on rural lands. Section 1.4.3 of the Niagara Escarpment Plan permits agriculture-related uses and on-farm diversified uses in prime agricultural areas in the

Niagara Escarpment Protection Area. However, the policy is silent on agriculture-related and on-farm diversified uses on rural lands. There have been requests to the Niagara Escarpment Commission from applicants to pursue agricultural-related and on-farm diversified uses on rural lands in both Halton Region and in other municipalities, however, the Niagara Escarpment Commission has taken the position at this time, that the above noted policy does not permit such uses on rural lands. The position of the Niagara Escarpment Commission affects 620 individual properties covering approximately 1,327 hectares. It is expected that the Niagara Escarpment Commission will revisit that policy during a future amendment to Niagara Escarpment Plan to conform to the Provincial policies, however that amendment could take several years before it is in effect.

Given the importance of agriculture-related uses and on-farm diversified uses to farm viability, Regional staff will be initiating an assessment to re-evaluate rural lands that are located in the Niagara Escarpment Protection Areas to determine whether some of these parcels should be designated Prime Agricultural Areas without compromising the scientific methodology for land evaluation that was previously used in Halton Region. This approach will assist some farms in the interim by ensuring that agriculture-related and on-farm diversified uses can be pursued where appropriate.



The preservation of Prime Agricultural Areas and Rural Lands will play an important role in addressing climate and building resilient communities. Healthy soils contribute to an ecosystem of nutrient recycling, carbon sequestration, climate regulation, and water filtration. Many farms within the Agricultural System also contain important natural heritage features and components. Greenhouse gas emissions can be offset by natural feature areas that act as carbon sinks.

Policy Direction – RAS-2– Update the Rural Agricultural Strategy to address non-land use related matters to further support and strengthen the Rural and Agricultural System.

The Rural Agricultural Strategy was developed and approved by Regional Council in October 2016 as a means of identifying areas where the Region could assist in strengthening the rural agricultural sector in Halton for the long-term. It specifically identified how the Region can, within its mandate and resources, positively influence the economic climate in the rural/agricultural area, add value to those businesses currently operating while attracting new businesses that are compatible to the objectives of the Region in a manner that will ensure that the area continues to thrive over the long term. Consultation with the agricultural community during the engagement process uncovered significant additional opportunities to address several additional issues or barriers affecting the farming sector. Examples of issues

raised included farm equipment and trucks on roads, traffic safety, farm labour, water for agricultural uses, the need to elevate the profile and importance of agriculture, among many others. While some of these issues can be addressed through land use policy, many of them are best advanced through a renewed Rural Agricultural Strategy that define new or enhanced programs or services that would demonstrate the Region's on-going support of the Rural and Agricultural System.

Policy Direction – RAS-3 – Update the policies of the Regional Official Plan to broaden permissions and allow for more opportunities for agriculture-related uses and on-farm diversified uses as outlined in Provincial policies, plans and guidelines.

Allowing for the full range of agriculture-related uses and on-farm diversified uses across Halton is being considered. The updated definition for agriculture-related uses allows for farm-related commercial and farm-related industrial uses that are directly related to farm operations in the area, support agriculture, benefit from being in close proximity to farm operations and provide direct products and/or services to farm operations as a primary activity. Halton Region has lost many of these critical supports with the consolidation of farms which has resulted in a corresponding reduction in the number of agricultural support businesses. This policy direction is important in helping to address this issue and is intended to help attract agricultural businesses in areas such as Halton to strengthen the agricultural system.

On-farm diversified uses allow for businesses to occur on a farm without being directly tied to the farm operation, provided that they are of a size and scale that would be considered secondary to the farm operation. Broadened permissions with the introduction of on-farm diversified uses will enable farm operators to diversify and augment their farm income which contributes to farm viability and resiliency. It also accommodates value-added and agri-tourism uses.

The updated policies will also allow local municipalities to provide more detailed policies through their respective official plans, zoning by-laws and additional tools such as special events permitting and business licensing by-laws, site plan control etc. to manage any on-farm diversified uses that have a high potential for impact. The policy direction should primarily follow the direction of the Provincial Policy Statement, 2020, Growth Plan, Greenbelt Plan, and the [Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas](#) for clear and consistent application of the policies. The current On-Farm Business Guidelines in the Regional Official Plan will be reviewed for consistency with agriculture-related and on-farm diversified uses and provide best practices to help minimize conflict.

Comments received through the engagement process generally supported the

inclusion of policies to allow for agriculture-related uses and on-farm diversified uses, however a number of comments suggested allowing for local municipalities to implement more detailed direction. Comments also suggested not putting too much emphasis on the Guidelines on Permitted Uses in policy as they are just guidelines and the local municipalities may want some flexibility. The Region will consider this in drafting policies.



By broadening permissions to include agriculture-related uses and on-farm diversified uses, the Region is increasing opportunities for farms to remain viable, which allows farmers to continue playing an important role as stewards of the ecological function on these lands. The diversification of agricultural operations will provide better access to revenue streams that allow farmers to invest in sustainable practices and promote agricultural and food resilience in response to climate change challenges.

Policy Direction – RAS-4 – Introduce new policies in the Regional Official Plan that may permit cemeteries, subject to criteria, in the new Rural Lands designation.

Prime agricultural areas are a finite resource that need to be protected and it is being recommended that cemeteries be permitted on rural lands, but not in prime agricultural areas. Further details related to size and fit within communities are recommended to be determined by the local municipalities.

Comments received have primarily been in support of clarifying policies on the permitted use of cemeteries. Respondents preferred cemeteries to be directed to settlements areas, although they acknowledged the challenges that may pose and therefore suggested that cemeteries may be permitted on rural lands only when there is an unmet demand, support the development of a complete community, and meet other criteria. Generally, respondents wanted to restrict cemeteries from being a permitted use in prime agricultural areas since the permanent nature of a cemetery will remove lands permanently from agricultural production and prime agricultural lands are such a scarce and valuable resource.

Policy Direction – RAS-5 – Update the policies in the Regional Official Plan to clarify when an Agricultural Impact Assessment is required.

It is recommended that the Regional Official Plan policies implement the direction of the Provincial Plans and guidelines and should specify the requirement for an Agricultural Impact Assessment for urban boundary expansions, new or expanding mineral aggregate operations, infrastructure in the rural area, and any proposed development that removes land from Prime Agricultural Areas. The Regional Official Plan should continue to reference the Region's Agricultural Impact

Assessment Guidelines, which will clarify, inform, and aid in the implementation of the Plan's policies. Provincial Agricultural Impact Assessment Guidance documents are expected to be released in the near future and may provide additional direction. Once the Provincial Agricultural Impact Assessment Guidance documents are released, the Region will review for consistency with the Region's Agricultural Impact Assessment Guidelines and may update if necessary.

Some comments suggested that current Agricultural Impact Assessment policies are sufficient at addressing applications for non-farm land uses, however, the majority of comments requested clarification and enhancements to current policies to inform what triggers an Agricultural Impact Assessment. Comments were also received about cumulative impact assessments and establishing baseline metrics for agricultural system viability to inform meaningful analysis and evidence-based planning decisions.

Policy Direction – RAS-6 – Update the Regional Official Plan to permit Special Needs Housing in the Rural Area and Additional Residential Units within the Agricultural and Rural Area.

At the present time, the Regional Official Plan does not specifically permit special needs housing outside of the Region's settlement areas. The Provincial Policy Statement, 2020 provides direction regarding the provision of an appropriate range and mix of housing options required to meet the social, health, economic and well-being requirements of current and future residents including special needs requirements. As well, it indicates that healthy integrated and viable rural areas should be supported by building upon the rural character and leveraging rural amenities and assets. It is recognized that some special needs housing is located in rural areas for this reason.

This policy direction recommends the support for special needs housing as a permitted use in the Rural Area, including Prime Agricultural Areas and Rural Lands and settlement areas subject to all other relevant policies. It also aligns with feedback from the Discussion Papers and the 2018 Supportive Housing Study, indicating that certain types of special needs housing will benefit from a rural setting. Comments generally support adopting policies that permit special needs housing anywhere, including Prime Agricultural Areas and Rural Lands, with a few comments adding that this should be addressed at the local municipal level. Further comments explore the need to determine if special needs housing is a residential use or an institutional use and requests clarity on the criteria of this use within the Provincial Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas. These specific comments state that these guidelines should not apply to special needs housing and that they should be a permitted use.

In addition to Special Need Housing, the current Regional Official Plan does not

address permissions related to additional residential units. Based on changes to the Planning Act made under Bill 108 in 2019 and housing policy discussions related to the Integrated Growth Management Strategy, it is also recommended that the Regional Official Plan be updated to address additional residential units in the Agricultural and Rural Area. These proposed policies will be subject to criteria that balance competing provincial policies and priorities such as the protection of agricultural resources, enhancement of the agricultural system, health and safety.

Policy Direction – RAS-7 – Introduce new policies in the Regional Official Plan that support an enhanced planning and development review process at both the Regional and local levels that supports new and expanded agricultural uses and which provides clarity on the Region's role as a commenting agency on Niagara Escarpment Commission applications.

Regulation and “red-tape” have been a key concern that has been raised by Halton’s agricultural community as a barrier to investments being made in agriculture. Applicants may often need to deal directly or indirectly with various agencies including their local conservation authority, Niagara Escarpment Commission, local municipality and/or the Region. The planning process can be complex, involve various agencies, be costly and time consuming. The Region supports the development of new and expanded agricultural uses in appropriate locations and would like to streamline and expedite these kinds of approvals to encourage these investments and strengthen the Agricultural System in Halton.

The preferred outcome of the policies would be to simplify the development review process. The goals of these policies is to decrease costs, encourage co-ordination of regulations with municipalities, the Niagara Escarpment Commission and agencies, and to provide clarity and certainty to the applicant to support agricultural investment in Halton. To further the Region’s commitment to assist the agricultural community, this policy direction allows the Region to pursue the development of a concierge service to provide direct assistance in navigating planning processes when applications to develop agricultural uses are submitted.

Policy Direction – RAS-8– Introduce new policies in the Regional Official Plan that implement edge planning best practices to minimize the impacts of urban development on nearby agriculture.

While farming in the near urban context in Halton has advantages, it also has challenges especially the immediate interface between the urban and agricultural area where farm operations continue to operate. While normal farm practices are permitted, conflicts related to noise, odour, traffic, light etc. often arise between farmers and

residents that are adjacent to an active agricultural landscape. This policy direction is intended to reduce potential conflicts between urban areas and agricultural uses in the rural area through edge planning policies. It is recommended that policies encourage the consideration of edge planning in the context of secondary plans where greenfield development or other large scale non-agriculture uses are adjacent to agriculture when considering urban boundary expansions.

Potential negative impacts on farming operations along with the rise in trespassing in rural areas has been identified by the agricultural community in Halton as being of concern.

3.4 Natural Heritage

3.4.1 Overview

Natural heritage has a central place within the planning vision for Halton as described in the Regional Official Plan. Preserving natural heritage remains a key component of Halton's Planning Vision, which stems from the Region's fundamental value in land use planning: landscape permanence. The goal for the Natural Heritage System will remain as it is articulated in the current Regional Official Plan "to increase the certainty that the biological diversity and ecological functions within Halton will be preserved and enhanced for future generations".

The [Natural Heritage Discussion Paper](#) presented a number of considerations for updating the natural heritage mapping and policies in the current Regional Official Plan to ensure consistency and conformity with the Provincial Policy Statement, 2020 and Provincial plans, clarification on certain natural heritage policies and update the Natural Heritage System mapping with the best available data sources to improve accuracy of the mapping at a regional-scale. Further details and background information for the proposed policy directions can be found in the Discussion Paper.

Comments received generally supported a desire for Regional policies to continue the protection and enhancement of the Key Features and their ecological functions, recognize policies related to natural hazards and identify climate change adaptation and mitigation opportunities within Halton's Natural Heritage System.

3.4.2 Policy Directions

This section outlines the proposed policy directions for the protection and preservation of natural areas and water resources in Halton Region.

Policy Direction – NH-1 – Incorporate mapping and policies in the Regional Official

Plan that implement the new Natural Heritage System for the Growth Plan.

In 2017, the Growth Plan was updated to include policies on the Natural Heritage System for the Growth Plan. In 2018, draft mapping of this system was released by the Province and the mapping of this system has been verified by the Region. Through the Regional Official Plan Review, refinements to the Natural Heritage System for the Growth Plan were requested by the Region to better align it with the Regional Natural Heritage System mapping, and exclude Natural Heritage System for the Growth Plan from lands within settlement area boundaries in Halton. The Ministry of Northern Development, Natural Resources and Forestry approved the request for refinements based on the criteria for refinements outlined in “The Regional Natural Heritage System for the Growth Plan for the Greater Golden Horseshoe, Technical Report on Criteria, Rationale and Methods” (OMNRF 2018) (the “Technical Report”). This mapping and the associated policy framework must be implemented in the Regional Official Plan and direction on how it will be incorporated in the Plan is provided in Policy Directions NH-3 and NH-6.

Policy Direction – NH-2 – Incorporate and update policies that implement updated policies on natural heritage from the Greenbelt Plan and the Niagara Escarpment Plan.

The Regional Official Plan recognizes the requirements and policies of the Greenbelt Plan and Niagara Escarpment Plan. In 2017, as part of a provincial coordinated review, natural heritage policies were updated for the Greenbelt Plan and the Niagara Escarpment Plan. In addition, updated mapping was generated by the Province that delineated the extent of lands designated Escarpment Protection Area and Escarpment Natural Area under the Niagara Escarpment Plan. The Niagara Escarpment Plan land use designation for Escarpment Natural Area and Escarpment Protection Area will continue to be mapped as components of the Regional Natural Heritage System. Therefore, the updated Niagara Escarpment Plan mapping will need to be reflected in Regional Natural Heritage System mapping, which may result in additional lands included within the Regional Natural Heritage System.

Policy Direction – NH-3 – Harmonize the mapping and policies for the Greenbelt Natural Heritage System and the Natural Heritage System for the Growth Plan to create a Provincial Natural Heritage System.

As the Natural Heritage System for the Growth Plan 2017 and the current Greenbelt Plan Natural Heritage System 2020 are required to be identified in the Regional Official Plan, and both systems are similar and identify the same key natural heritage features, key hydrologic features and vegetation protection zones, it is being recommended that where possible, the policies for the two provincial natural heritage systems should be

combined in an effort to reduce duplication and complexity. Where there are policy discrepancies that cannot be rectified, a clear geographical reference should be included to ensure the policy is only applied in the required Natural Heritage System.

The Regional Natural Heritage System will be mapped as separate and distinct from the Provincial Natural Heritage Systems as it is not subject to these Plans, but rather receives direction from the Provincial Policy Statement, 2020. In circumstances where lands fall within both the Regional Natural Heritage System and Provincial Natural Heritage System, the Regional Natural Heritage System policies will apply except where the Provincial Natural Heritage System is more restrictive.

This policy direction aligns with the feedback received from engagement on the Natural Heritage Discussion Paper that the preferred mapping approach for the Natural Heritage System for the Growth Plan was to harmonize it with the Greenbelt Plan Natural Heritage System to create a Provincial Natural Heritage System. This approach would simplify policies, create a more streamlined approach and still allow for flexibility to occur for unique policy approaches in the Regional Natural Heritage System.

Policy Direction – NH-4 – Incorporate policies and mapping that implements a Water Resource System.

The Provincial Policy Statement, 2020, policies in the Growth Plan, 2020 and the Greenbelt Plan, 2017 all require that a Water Resource System (as defined in the Growth Plan, 2020) be identified to provide for the long-term protection of surface and ground water features and their functions. The Regional Official Plan will need to incorporate Water Resource System policies and mapping in accordance with the Provincial policies and plans. The Water Resource System will be based on the definition provided in the Growth Plan with detailed policies that focus around key hydrologic features and key hydrologic areas.

Where policies exist in the Regional Official Plan related to watershed studies and subwatershed studies, these policies should be considered in the context of the Water Resource System and may need to be updated to implement the direction from the Provincial Plans.

Comments during the engagement process generally supported providing distinct policies and mapping for the Natural Heritage System and Water Resource System as there could be confusion if key hydrologic areas are incorporated into the policies for the Natural Heritage System. While this distinction is important, the interrelationship between the two must still be considered through a system-based approach to natural heritage and water resource policies.



The identification of a Water Resource System will provide for the long-term protection of surface and ground water features and their functions and recognize their important role in addressing climate change and building resiliency.

Policy Direction – NH-5 – Update existing policies on Natural Hazards to be consistent with and conform to Provincial Policies and Plans.

Conservation Authorities have been delegated responsibilities from the Minister of Northern Development, Natural Resources and Forestry to represent the Provincial interests regarding natural hazards encompassed and defined in the Provincial Policy Statement, 2020 and regulated development within and adjacent to natural hazards through the Conservation Authorities Act.

The natural hazard policies in the Regional Official Plan will need to be updated as well as incorporate new policies that are consistent with the Provincial Policy Statement 2020, and Provincial Plans. The natural hazard policies should be maintained in a distinct section from the natural heritage and water resources policies as the focus of natural hazard policies are to protect public health and safety from natural and human-made risks. Within the natural hazards policies, a policy will be developed to direct the Local Municipalities to include policies and mapping within their official plans and zoning by-laws to prohibit and restrict development within natural hazard lands and be required to consult and be in conformity with Conservation Authority policies. There may need to be additional policies introduced in the Urban Areas section of the Regional Official Plan related to directing new growth away from hazardous lands including wildland fire hazards.

In the current Regional Official Plan, Regulatory Flood Plains identified by the Conservation Authority are a component of the Regional Natural Heritage System. Flooding hazards, which include the Regulatory Flood Plain, are identified as a natural hazard under section 3.1 of the Provincial Policy Statement, 2020 and Regulatory Flood Plain has not been identified as natural heritage features and areas, surface water features and ground water features within in the Provincial Policy Statement, 2020.

Given the direction provided in the Provincial Policy Statement, 2020, it is recommended that the Regulatory Flood Plain is removed as a component of the current Regional Natural Heritage System and be included in the natural hazard section of the Regional Official Plan. The intention is not to diminish the goal and objectives of the Regional Natural Heritage System but rather provide clarity and consistency with the definition of natural features in the Regional Official Plan.

Respondents supported the inclusion of natural hazard policies to protect people and the environment from more frequent extreme weather events.



The changing climate has augmented the frequency and changed the predictability of severe weather events in Halton Region. Understanding natural hazards, including their mapped location, can lead to adaptive land use planning decisions that can mitigate the impacts of climate change on members of the community, urban and rural development and the Natural Heritage System as a whole.

Policy Direction NH-6 - Revise mapping to identify the Natural Heritage System as an overlay with Key Features designated in rural areas and within Settlement Areas, the Natural Heritage System will remain a designation.

Map 1 - Regional Structure in the Regional Official Plan will need to be updated to illustrate prime agricultural areas, rural lands and Key Features as mutually exclusive land use designations with the components (i.e. buffers/linkages) of the natural heritage system as an overlay. On the current Map 1 – Regional Structure, the Regional Natural Heritage System is illustrated as a designation, and the Greenbelt Natural Heritage System is illustrated as a constraint overlay for lands outside settlement areas. The change to the mapping is a result of recent changes to the Provincial Policy Statement, 2020, Growth Plan and Greenbelt Plan that require prime agricultural areas to be designated in official plans. The updated Provincial framework no longer provides the Region with flexibility to map the entire Regional and Provincial Natural Heritage Systems as a designation outside settlement areas.

Outside of settlement areas, the Natural Heritage System overlay will overlap with the Key Features designation to continue to achieve a scientifically structured systems approach that will meet the goal of long-term protection and enhancement of natural features and functions within Halton. The natural heritage policies in the Regional Official Plan will apply to both the Key Features as a designation and the system as an overlay, thus maintaining the same preservation and protection to the system as whole. The current approach to designate the Regional Natural Heritage System should remain within settlement areas, as there are unique factors in urban context that make it difficult to apply a multi-layer approach. The designation of the Regional Natural Heritage System allows for clear delineation between the types of land uses and provides direction on where development and site alteration may occur within settlement areas.

Respondents during the engagement process were interested in strengthening policies to address impacts to the Regional Natural Heritage System. There was support for mapping approach to include a Natural Heritage System overlay with Key Features designated in rural areas as it achieves the best balance between interests of Natural

Heritage System and the Agricultural System in particular, it would provide greater clarity as to where agricultural buildings could be located.

Policy Direction – NH-7 – Update the policies and mapping that build on the existing comprehensive Regional Natural Heritage System policy framework.

A detailed review of current Regional Official Plan policies against the Provincial Policy Statement, 2020, related to the natural heritage system indicates strong alignment with provincial direction. There are minor updates to the existing Regional Official Plan policy and language including definitions to improve consistency and alignment with recent updates to the Provincial Policy Statement, 2020.

To inform and aid in the implementation of the natural heritage policies, certain guidelines or protocols will be identified in the policies of the Regional Official Plan that will need to be prepared and maintained to provide more detailed direction including the Environmental Impact Assessment Guidelines and Subwatershed Study Guidelines. Further, feedback received through engagement identified the need to provide clarification on how linkages, enhancements to Key Features and buffers are established. It is recommended that a guideline be prepared to provide clarification on the identification and determination of these components that builds on the existing Regional Official Plan policy framework and definitions. The guideline will provide further direction on the identification of these components, outline approaches that can be used to satisfy the relevant policies and used to support restoration and enhancement within the Regional Natural Heritage System that can be achieved through development proposals.

The Region is refining the Natural Heritage System mapping in the Regional Official Plan where updated information is available. The draft Regional Natural Heritage System mapping will utilize updated base data information available from the Province and conservation authorities. Using updated base layers ensures that Natural Heritage System mapping in the Regional Official Plan reflects the most current data available and thus the maps are as accurate as possible. In addition to the base layers updates, a review of the Natural Heritage System mapping was undertaken to recognize planning decisions and updated information since Regional Official Plan Amendment 38 and this includes Ontario Municipal Board decisions, approved planning applications, special Council Permits and staff refinements based on in-field observations.

During the engagement process respondents were supportive of creating and clarifying policies on buffers, enhancements to Key Features and linkages within the Regional Natural Heritage System.

In addition to the engagement process on the Phase 2 Discussion Papers, engagement

with individual stakeholders on the Regional Natural Heritage System mapping continued into 2021 and included 41 individual landowner meetings and 19 site visits to analyze and delineate boundaries of Key Features of the Regional Natural Heritage System. As a result of the Phase 2 engagement, refinements have been made to the draft Regional Natural Heritage System mapping. Any mapping refinements that were made had to align with the Regional Official Plan Natural Heritage System goals, objectives and definitions, were within the context of the technical guidance found in the Sustainable Halton 3.02 Implementation Report and were based on in-field observations made by Regional staff. Consistent with Policy 116.1 of the Regional Official Plan, mapping refinements were also made to recognize any refinements that were accepted by the Region through a planning approval process under the Planning Act (i.e. Secondary Plans/Plans of Subdivision) from July 2018 to June 2021, noting that the previous version of the draft mapping used June 2018 as a benchmark for refinements. Finally, any Ontario Municipal Board or Local Planning Appeal Tribunal decisions that resulted in refinements to the Natural Heritage System mapping were incorporated.

The updated draft 2022 Natural Heritage System mapping will be made available on Regional Official Plan Review Mapping Viewer on Halton Region webpage. The final release of the Halton's draft Natural Heritage System mapping will occur as a part of Stage 3 Phase 3 of the staged Regional Official Plan Amendment.

Based on the stakeholder feedback received on the technical process to update the Natural Heritage System mapping, it is recommended that an update to the policy be made to incorporate refinements to the Regional Natural Heritage System accepted by the Region through an approval process under the Planning Act occur on a more frequent basis than at the Region's statutory review of its Official Plan. This will ensure that Halton's Natural Heritage System mapping reflects the most current data available and thus the maps are as accurate as possible at a regional-scale.



The Regional Natural Heritage System is a critical permanent landscape that can allow Halton Region to continually implement innovative and creative adaptive and mitigative measures to alleviate the impacts from the changing climate. The Natural Heritage System provides for more resilient environments and can allow opportunities to reduce impacts of flooding and other risks associated with extreme weather events. The protection of Key Features can improve carbon sequestration, improve water quality and quantity, provide habitat for endangered species and continue to provide ecosystem functions and services to Halton citizens.

Policy Direction – NH-8 – Update the Regional Plan to address the quality of a woodland in the determination of the significance of woodlands.

The need and justification for protecting and identifying Significant Woodlands is mandated by the Province through the Provincial Policy Statement, 2020 and Provincial Plans. Significant Woodlands also have been identified as a Key Feature in the Regional Natural Heritage System. There are two distinct components to the Region's policies regarding Significant Woodlands; 1) the definition of "Woodland" and 2) the policies that identify which woodlands warrant protection as Significant Woodland. A group of trees must first meet the definition of "Woodland", and only then it is subject to the protection policies for significance. The Regional Official Plan does not permit the alteration of significant woodlands within the Regional Natural Heritage System unless it has been demonstrated that there will be no negative impacts on the natural features and areas or their ecological functions. For lands within the Natural Heritage System of the Growth Plan, and Greenbelt Plan Natural Heritage System, new development or site alteration is not permitted in key natural heritage features (including significant woodlands).

Through Phase 2 engagement, there was support for the inclusion of criteria to provide clarity around the assessment of woodlands that:

- Might be considered lower quality from an ecological perspective (i.e. dominated by non-native plant species such as European buckthorn, Black Locust or Dog Strangling Vine)
- Have been subject to a disturbance such as ice-storm damage, windthrow, or forest pathogens or pests, e.g., Emerald Ash Borer to the point where it is unlikely current tree density will meet the criteria for inclusion as a woodland as a result of deaths related to Emerald Ash Borer.

While there was general feedback from the engagement process to exclude such woodlands from the definition of "significant woodland", there was also feedback to provide a policy framework that would require woodland restoration if consideration was given to remove woodlands deemed to be lower quality from a biodiversity and ecological perspective from the Regional Natural Heritage System.

This policy direction recommends that the Regional Planning staff identify opportunities to address the woodland quality through potential updates to the definitions of significant woodland and woodland within the Regional Official Plan. Further, explore opportunities to provide direction within the Regional Official Plan for enhancement and restoration of woodlands that have been impacted by invasive non-native species and/or have experienced severe disturbance due extreme weather events and the impact of forest pathogens.

Policy Direction - NHS- 9 – Update the Regional Official Plan to include policies that conform to the three Source Protection Plans that apply in the Region.

The current Regional Official Plan contains policies and mapping to protect and enhance the quality and quantity of Halton Region's ground and surface water resources as directed through the Aquifer Management Plan. These policies must be replaced with the Provincial approved Source Protection Plan policies that are applicable to Halton Region in accordance with the Planning Act 2020, Condominium Act, 1998 and the Building Code Act, 1992

Currently there are three approved source protection plans that apply within Halton Region and each contain policy direction for land use planning. Given the complicated nature of applying policies from three different source protection plans that do not align with municipal boundaries, and the added complication of changing policy and mapping within the Source Protection Plans, the direction will be to include general policies that can apply across all three Source Protection Plans where possible with more specific policies as required based on the specific plan and the inclusion of mapping. As a result, planning and development applications will be subject to these Source Protection Plan policies and mapping in specific areas of Halton.

Comments received on the options for how to best incorporate source water protection policies did not appear to have one common preferred approach. Additional consultation was undertaken with the source protection project managers where it was recommended that a simple high level approach should be taken where appropriate.



Source water protection plans help to ensure that water quality and quantity are maintained for the sources of Halton's municipal drinking water systems. Climate change can broadly impact both groundwater and surface water quality and quantity through increased flooding and erosion due to more extreme rainfall, more drought conditions and frequent severe weather.

Policy Direction - NH-10 – Introduce a new policy in the Regional Official Plan that requires the Region to develop a Halton Region Natural Heritage Strategy.

To protect and enhance the natural environment and respond to climate change, the policy direction recommends that the Regional Official Plan include a policy to adopt and maintain a Halton Region Natural Heritage Strategy, similar the Halton's Rural Agricultural Strategy. The Natural Heritage Strategy, as proposed, will align with the action items identified in the Halton Region Strategic Business Plan 2019-2022 and is not meant to add additional policies but rather provide direction on a plan of action for the implementation of the goals and objectives of the Regional Official Plan. The purpose of the strategy would be to identify a framework for initiatives such as monitoring, stewardship/restoration and community awareness that need to be undertaken to achieve

a sustainable, natural environment. The Strategy could explore opportunities for programs and services to address non-land use related matters to further support and recognize landowners including the agricultural farming community in their stewardship efforts to protect and enhance the Natural Heritage and Water Resource Systems as well as endeavors to implement climate change mitigation and resiliency strategies. The Strategy also could explore opportunities and identify an approach to where the Natural Heritage System can be utilized through mitigation and adaptation to respond to climate change and reducing Halton's carbon footprint.

Respondents supported the creation of a Natural Heritage Strategy that would allow the goals of the Regional Natural Heritage System to align with action items, provide for a collaborative approach to its development, and outline potential key focuses of the Strategy outlined in other Regional plans, such as the approved 2019-2022 Strategic Business Plan, Agriculture and Rural Strategy and corporate climate action plan being developed.



A Natural Heritage Strategy will provide short and long-term actionable opportunities for Halton to respond to climate change, including actions to reduce greenhouse gas emissions, restore, enhance and connect the Natural Heritage System throughout the urban and rural areas, and create monitoring programs.

Policy Direction – NH-11 – Update and enhance current policies in the Regional Official Plan to recognize agriculture in components of the Natural Heritage System.

Natural heritage and agriculture are not mutually exclusive in terms of where they are located in the rural area. In many instances farming is occurring within the Natural Heritage System and in some cases buildings already exist within key natural heritage features. The Regional Official Plan currently permits certain agricultural buildings and farm operation uses within the Regional Natural Heritage System but outside of the Niagara Escarpment Natural Area or the Key Features other than those areas where the only Key Feature is a significant earth science area of natural and scientific interest. Within the Greenbelt Natural Heritage System and Natural Heritage System for the Growth Plan, new development including agricultural buildings are not permitted within key natural heritage features or key hydrologic features and associated vegetation protection zones. The Regional Official Plan also sets the criteria for the requirements of an Environmental Impact Assessment for proposed development and site alterations and identified opportunities for when an agricultural building would not trigger a study.

Through engagement, there was support for the Region to update and enhance current

policies to recognize agriculture in the certain key natural heritage features and components of the Regional Natural Heritage System. This policy direction recommends that the Region explore additional opportunities for clarification on existing permissions for agricultural buildings and uses within the Regional Natural Heritage System within the existing policy framework and that is consistent with the Provincial Policy Statement, 2020 and conforms to Provincial Plans. Additional permissions would need to be considered based on a set criteria (i.e. size threshold) and would demonstrate no negative impact to the Regional Natural Heritage System. Outside of Key Features, there will continue to be permissions specifically for agriculture, agriculture-related and on-farm diversified uses.

Comments were made during the engagement process that indicated that further clarification and consideration is needed in policies and mapping around permissions for agricultural uses in the Natural Heritage System.

3.5 Indigenous Peoples, Communities and First Nations

3.5.1 Overview

The current Regional Official Plan has policies primarily related to Cultural Heritage (archaeology) and consultation that reference First Nations. It is proposed that going forward as part of the Regional Official Plan Review, the policies be updated to address all Indigenous Peoples, Communities and First Nations with land use related rights applicable in Halton Region and include a full range of interests related to land use, particularly engagement.

Indigenous People, Communities and First Nations are part of diverse community in Halton, however, there are no specific First Nation Communities geographically located within the boundaries of Halton, however, there are Indigenous Peoples, Communities and First Nations around Halton which include: The Mississaugas of the Credit First Nation, Six Nations of the Grand River, Haudenosaunee Confederacy Chiefs Council (Not elected), Métis Nation of Ontario, Credit River Métis Council and the Grand River Métis Council. The Mississaugas of The Credit First Nation are the original Treaty and title holders of the territory in which Halton Region resides.

The following were invited to participate in the Regional Official Plan Review:

- Mississaugas of the Credit First Nation
- Six Nations of the Grand River
- Haudenosaunee Confederacy Chiefs Council
- Métis Nation of Ontario – Credit River Métis Council

Several meetings have been held with Regional staff the Mississaugas of the Credit First Nation (MCFN) and continued dialogue concerning MCFN's interests in the Halton Region Official Plan.

Regional staff are following-up on submissions as they are received. All of this will be fully documented and available to the public record along with all other engagement submissions.

Going forward the Huron-Wendat First Nation will be included in engagement based on discussions with the Ministry of Municipal Affairs and Housing staff.

3.5.2 Policy Directions

Policy Direction – IP-1 – Update the Regional Official Plan to recognize and acknowledge interests of Indigenous Peoples, Communities and First Nations related to land use, in a new policy in 'Part II - Basic Position' in the Regional Official Plan which would provide general direction and elsewhere in the Plan.

Updates may include general policies that acknowledge Indigenous Peoples and their rights and recognize MCFN as the Treaty holder. Updates should ensure at all relevant section of the Provincial Policy Statement, 2020, are addressed.

It is recommended that the Regional Official Plan be updated to ensure that the interests of Indigenous Peoples, Communities and First Nations are recognized through land use planning matters while still maintaining alignment with Regional programs and initiatives, including work undertaken by the Region's Strategic Government and Policy Relations department, including the Indigenous Relationship Building Initiative.

Policy Direction – IP-2 – Update the Regional Official Plan to recognize and acknowledge interests of Indigenous Peoples, Communities and First Nations related to consultation on land use planning matters.

In implementing the Regional Official Plan, Halton Region must recognize the importance of consulting with Indigenous Peoples, Communities and First Nations on planning matters that may affect their rights and interests. The Regional Official Plan must be implemented in a manner that is consistent with the recognition and affirmation of existing Aboriginal and treaty rights under section 35 of the Constitution Act, 1982. Updates are proposed to ensure meaningful consultation with Indigenous Peoples, Communities and First Nations.

Policy Direction – IP-3 – Update the Regional Official Plan to ensure adequate recognition and protection of Indigenous Cultural Heritage, particularly related to archaeological resources.

The Regional Official Plan currently contains policies on Cultural Heritage and consultation. These policies should be updated refer the language in the Provincial Policy Statement (2020) (Planning authorities shall engage with Indigenous People and Communities and consider their interests when identifying, protecting and managing cultural heritage and archaeological resources) and refer to the Region's Public Engagement policy and Indigenous Engagement Guidelines which are currently under development. In addition, the Region's existing Archaeological Management Plan (titled 'Master Plan of Archaeological Resources of the Regional Municipality of Halton 2008 Update' prepared by Archaeological Services Inc., 2009) should be reviewed.

3.6 North Aldershot Planning Area

3.6.1 Overview

In the current Regional Official Plan, the North Aldershot Policy Area is a mutually exclusive land use designation that is separate from the Urban Area, Agricultural Area, Regional Natural Heritage System and other designations. The permitted uses for this designation include agricultural and agriculture-related uses, residential uses, home occupations and cottage industries, watershed and wildlife management uses and recreational uses.

The North Aldershot Policy Area policies of the current Regional Official Plan remain unchanged from the policies introduced through Regional Official Plan Amendment 2 introduced in 1998. Since that time, the Provincial policy framework has evolved significantly with the latest update being the Growth Plan 2019 and Provincial Policy Statement, 2020. The North Aldershot Policy Area designation and many of the existing permissions for this designation do not conform to the current Provincial policy framework.

The [North Aldershot Discussion Paper](#) presented a number of considerations for the review of the North Aldershot policy framework in the Regional Official Plan in order to bring it into conformity with the Provincial Policy Statement, 2020 and Provincial plans. Of particular relevance is the Provincial Policy Statement, 2020 that divides the Province into two general land use categories with one being urban 'settlement areas' and the second being 'rural area', with rural areas including rural settlement areas, rural lands, prime agricultural areas, natural heritage features and areas and resource areas.

Rural lands and prime agricultural areas are considered to be mutually exclusive, with rural lands not encompassing prime agricultural areas. Further details and background information for the proposed policy directions can be found in the Paper.

North Aldershot was also considered as part of the Integrated Growth Management Strategy in exploring whether this area is appropriate for accommodating future population and employment growth. As summarized in [Staff Report No. LPS18-21](#), the review undertaken as part of the Integrated Growth Management Strategy concluded that urban boundary expansion within the North Aldershot Policy Area as a whole is not supportable given the overriding policy considerations of the Growth Plan, 2019. This conclusion was based on considerations such as the prevalence of significant and sensitive natural heritage features and functions; the challenge of optimizing major infrastructure investment to service very limited and dispersed pockets of developable land; and, the challenge of achieving a complete community through more compact urban form and a complete range and mix of housing.

In addition, there was further analysis undertaken through the development of the Draft Preferred Growth Concept. Through that analysis it has been concluded that, in comparison to the areas identified in the Draft Preferred Concept, any other areas contiguous to the existing settlement area boundary that may have limited potential for redevelopment are not appropriate for urban boundary expansion. This conclusion is based on considerations such as servicing feasibility, protection of the natural heritage system and water resources, and financial viability. It should be noted that existing, historical development approvals will be taken into consideration in the North Aldershot Policy Area.

A map is provided in Appendix C showing the proposed Rural designation and Natural Heritage System in North Aldershot.

3.6.2 Policy Directions

This section outlines the proposed policy directions for the planning of the North Aldershot Planning Area.

Policy Direction - NAPA-1 – Integrate the North Aldershot planning framework with the Rural and Agricultural System policies in the Regional Official Plan through the application of a ‘Rural Land’ designation to the lands currently identified as ‘North Aldershot Policy Area’.

In accordance with the Provincial Policy Statement, 2020 land use categories, it is recommended that the Region remove the distinct North Aldershot Policy Area

designation from the Regional Official Plan and re-designate the lands to a Rural Lands designation in accordance with the Rural and Agricultural System Policy Direction in this regard (RAS-1).

A significant portion of the North Aldershot Policy Area is now within the draft updated Natural Heritage System as a result of the incorporation of the Natural Heritage System for the Growth Plan (NH-1). As indicated in the Natural Heritage Policy Direction NH-6 of this Report, Key Features of the Regional Heritage System are recommended to be a mutually exclusive designation with the components (i.e. buffers/linkages) of the natural heritage system as an overlay in the Regional Official Plan. As a result, only those portions of the North Aldershot Policy Area that are outside of the Key Features would be re-designated to the new 'Rural Land' designation as set out in the Rural and Agricultural section of this Report (RAS-1) with the natural heritage system as an overlay, where applicable.

There was general support heard during the engagement process to limit new development in North Aldershot as some participants indicated awareness of a number of ecological features in the area and how Provincial Plans would limit development potential. But also some that supported further development subject to the condition that new development be dense, compact, and focused on housing affordability.



The recommendation supports a number of climate change objectives including directing growth towards compact mixed-use communities with transit supportive densities and protecting the Natural Heritage System from fragmentation due to development encroachment. A strong and continuous Natural Heritage System and Rural and Agricultural System provides valuable ecosystem services like clean air and water and carbon sequestration. These systems also support the Region's resilience and capacity to respond to extreme weather events.

Policy Direction - NAPA-2 – Align policies for urban servicing with updated Provincial policy direction that requires municipal services to be directed to urban areas by removing the 'Area Eligible for Urban Servicing' overlay on Map 1. Servicing policies for North Aldershot will be integrated with the policies applicable to the Rural and Agricultural System.

It is recommended that the Region remove the 'Area Eligible for Urban Servicing' overlay from the Regional Official Plan. This would not affect affecting existing approvals for servicing supported by the Region.



Directing municipal water and wastewater servicing to the urban area supports climate change mitigation objectives including the promotion of

3.7 Implementation

3.71. Overview

IN addition to the key theme areas that have been explored in Phase 2, the initial Directions Report identified the need to explore implementation tools and housekeeping improvements through the Regional Official Plan Review. A policy audit of the effectiveness of the range of planning tools included in the Regional Official Plan is recommended to determine the need for adjustments as well as consider opportunities to improve the user-friendliness of the Official Plan including through housekeeping and layout revisions.

In support of this direction, the following background reviews were initiated:

- **Provincial Policy Audit:** review all changes to Provincial plans and policies identifying new or enhanced terms and concepts that may need to be addressed in the Regional Official Plan as well as changes in language and to definitions that may result in updates to the Regional Official Plan.
- **Housekeeping Policy Audit:** review the Regional Official Plan to identify any stale-dated, non-land use, and/or repetitive policies as well as any other housekeeping modifications that should be considered to enhance the readability of the Regional Official Plan. This review also included a mapping audit to identify any necessary mapping updates.
- **Best Practices Review:** reviewed other jurisdictions for best practices for official plan format and style options including page layout and numbering as well as best practices for mapping format and style.

3.7.2 Policy Directions

This section outlines the proposed policy directions for implementation tools and housekeeping improvements to the Regional Official Plan. It should be noted that certain implementation aspects of the Regional Official Plan Review are being undertaken in the context of the theme area updates and are not repeated here.

Policy Direction – IMP-1 – Improve the legibility and wayfinding of the Regional Official Plan by reviewing the organization of the Plan, the numbering of policies, the heading and sub-heading structure of the document, mapping, and the page layout including title pages and section covers.

A review of the Regional Official Plan layout to improve readability and user-friendliness has been undertaken. Looking at best practices for official plans from municipalities across the Province, the following preliminary recommendations were identified:

- Consider a layout that utilizes a sidebar that provides explanations and context to the Regional Official Plan policies.
- Consider the use of plain language throughout
- Incorporate clear distinction between policies and objectives through the use of sub-headings.
- Incorporate diagrams and images with plain language to explain and clarify concepts.
- Ensure maps are up to date and readily interpreted.

Amendments that are proposed to implement the matters outlined above will be prepared with a recognition that the intended outcome is to simply make the Official Plan easier to navigate and understand, not to reopen established policy decisions embedded in the Official Plan.

Policy Direction – IMP-2 – Update Regional Official Plan policies, as needed, to improve clarity of implementation and intent and undertake general housekeeping edits.

Since Regional Official Plan Amendment 38 has been mostly implemented, some policies have been identified as requiring updates based on clarity of implementation and intent, or in some instances may require updates based on language. Some policies may no longer be necessary based on the changes proposed in the other policy directions. This policy direction is to allow for these changes to occur where existing policies would benefit from some modifications or in some instances removal or additional policy be added. Also to be addressed are the removal policies that provide direction to various Regional departments on non-land use matters so that the focus of the Official Plan is on land use planning - not the delivery of other programs and services. An example of the type of policies to be reviewed policies related to non-land use corporate functions such as selection of recycled materials in packaging for products purchased by Region – ROP 149(5).

An example of general housekeeping edits would be updating the history of the ROP in the Plan.

Policy Direction – IMP-3 – Harmonize and consolidate policies and principles that are repetitive in the Regional Official Plan.

The Regional Official Plan Review provides an opportunity to make housekeeping updates to the Regional Official Plan to remove, combine, or condense any repetitive policies to improve the readability of the Plan. These policies have been identified through the housekeeping policy audit. There are two types of repetitive policies: those that are similar or almost identical to another policy or objective and those where their sole function is supporting other policies of the Regional Official Plan.

Policy Direction – IMP-4 – Coordinate and align the Regional Official Plan with strategic documents, policies, guidelines, and programs at the Region, and also reduce duplication to refocus the Regional Official Plan on strategic objectives appropriate to the implementation of land use planning matters.

The Regional Official Plan update should ensure that land use planning related information incorporated in strategic documents, such as policies and programs from Regional Departments that is included in the Plan, is up-to-date and aligns with work undertaken by departments such as Legislative and Planning Service, Public Works, and Finance.

In addition, there are a number of policies in the Regional Official Plan that provide direction on matters unrelated to land use planning that may be better suited for a Strategic Plan or other document as opposed to the Official Plan. These may include policies that guide corporate functions and activities and/or that direct the Region to undertake or support non-land use programs and strategies. It is recommended that the Regional Official Plan be updated, to ensure that the Regional Official Plan is focused on providing direction that is implementable through land use planning while still maintaining appropriate connections to related Regional programs and activities. To illustrate this, the Regional Official Plan contains policies and objectives related to corporate procurement practices and programs that are more specifically addressed in more frequently updated corporate documents such as the Strategic Business Plan and purchasing policies and by-laws.

Policy Direction – IMP-5 – Update the Regional Official Plan to reflect current practices and changes to Provincial policies and legislation not reflected in theme areas.

There are a number of policies within the Regional Official Plan that do not reflect current Provincial policies and legislation in addition to the matters being addressed in the Regional Official Plan theme area. It is recommended that these policies be updated through the Regional Official Plan Review. For example:

- Revised “Planning for stormwater management” policy in Provincial Policy Statement, 2020 – 1.6.6.7 which appears to be more detailed than Regional

Official Plan policies;

- New provision in Provincial Policy Statement, 2020 policy 3.2.3 and Growth Plan, 2019 related to excess soil;
- New provision in the Provincial Policy Statement, 2020 policy 4.6 requiring planning authorities to keep their official plans up-to-date with the Provincial Policy Statement, 2020 1.6.6;
- Definitions from the Provincial Policy Statement, 2020 and Growth Plan; and
- Changing terminology to reflect Provincial documents such as “elderly” (Regional Official Plan) to “older persons” (Provincial Policy Statement, 2020).

4.0 Conclusions and Next Steps

The Regional Official Plan Review Policy Directions Report (Draft) has outlined the policy directions that require further review and refinement and are recommended to be addressed through a future Regional Official Plan Amendment related to Climate Change, the Integrated Growth Management Strategy, the Rural and Agricultural System, and the Natural Heritage System, Indigenous Peoples, Communities and First Nations, and general Implementation and Housekeeping based on the research and analysis that went into the Discussion Papers and public engagement. The Amendments will ensure that the Regional Official Plan reflects current Provincial requirements, and continues to meet the needs of the community today and in the years ahead.

For implementation it is proposed that the Regional Official Plan will be updated in three stages:

- Stage 1: (ROPA 48 - Completed)
 - Regional Official Plan Amendment 48: Regional Urban Structure (adopted by Council and approved, with modifications, by the Minister of Municipal Affairs and Housing)
- Stage 2 (In-process)
 - Growth Strategy Regional Official Plan Amendment
- Stage 3:
 - Climate Change, Natural Heritage System, Rural and Agricultural System, Climate Change, Indigenous Peoples, Communities and First Nations, and Implementation Regional Official Plan Amendment.

Appendix

[Appendix A](#)

Regional Official Plan Amendment Framework for Policy Directions

[Appendix B](#)

Mapping Option 2: Prime Agricultural Area and Key Features are designated with a Natural Heritage System overlay

[Appendix C](#)

North Aldershot Map

Appendix A

Regional Official Plan Amendment Framework for Policy Directions

| Policy Direction | 1 st Regional Official Plan Amendment ROPA 48 | 2 nd Official Plan Amendment ROPA 49 | 3 rd Regional Official Plan Amendment |
|---|---|--|--|
| Climate Change | | | |
| CC-1 – Strengthen and enhance the Regional Official Plan’s vision, goals, objectives, policies, and definitions so that the impacts of a changing climate are a key factor to consider in making decisions on growth and development and the protection of the Region's natural heritage, water resource, and agricultural systems. | | | ✓ |
| CC-2 – Enhance the policies in the Regional Official Plan that support a culture of conservation. | | | ✓ |
| CC-3 – Introduce new policies and enhance existing policies in the Regional Official Plan to undertake stormwater management planning in a manner that assesses the impacts of extreme weather events and incorporate appropriate Green Infrastructure and Low Impact Development solutions as part of an Area-Specific Planning Process. | | | ✓ |
| CC-4 – Introduce new policies in the Regional Official Plan that require the Region and the Local Municipalities to assess infrastructure risk and vulnerabilities, and identify actions and investments to address these challenges where appropriate. | | | ✓ |
| CC-5 – Introduce new policies in the Regional Official Plan that encourage the Local Municipalities to introduce and/or enhance Green Development Standards for new development. | | | ✓ |
| CC-6 – To support the transition to low carbon communities, the Regional Official Plan provide policies to promote renewable and alternative energy systems and require the preparation of a Community Energy Plan as part of an Area-Specific Planning Process. | | | ✓ |

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|--|---|--|---|
| CC-7 – Introduce new policies and enhance existing policies in the Regional Official Plan to promote urban agriculture and locally-sourced food production. | | | ✓ |
| CC-8 – Update existing subwatershed policies to include the consideration for the impacts of a changing climate as part of an Area-Specific Planning Process. | | | ✓ |
| Integrated Growth Management Strategy | | | |
| IGMS-1 - Create a Regional Urban Structure and supporting policy framework to accommodate a significant amount of population and employment growth in Strategic Growth Areas | ✓ (Regional growth to 2051) | ✓ (Distribution of Regional growth to Local Municipalities) | |
| IGMS-2 – Confirm the boundaries of the existing Regional Employment Areas and advance Strategic Employment Land Conversions. | ✓ (Initial set of strategic employment land conversions) | ✓ (New Employment Areas + Additional Employment Land Conversions) | |
| IGMS-3 – Update the Regional Employment Areas policy framework to provide clarity on permitted uses and to identify opportunities for intensification of employment uses. | | ✓ | |
| IGMS-4 — Set an Ambitious and Achievable Intensification Target for the Region and Local Municipalities. | | ✓ | |
| IGMS-5 – Update Housing Mix Targets in the Regional Official Plan to establish a broad range and mix of housing in the Region. | | ✓ | |
| IGMS-6 – Establish a Regional Urban Boundary to support population and employment growth. | | ✓ | |
| IGMS-7 – Set Community Designated Greenfield Area Targets for the Region and Local Municipalities. | | ✓ | |
| IGMS-8 – Establish Employment Area Density Targets for Regional Employment Areas. | | ✓ | |

| | | | |
|---|---|---|--|
| IGMS-9 – Identify and provide sufficient employment land supply based on the Land Needs Assessment to provide a complete range of employment opportunities. | | ✓ | |
| IGMS-10 – Strengthen and clarify existing Development Phasing Policies for the Region and Local Municipalities. | | ✓ | |
| IGMS-11 – Direct the growth to Settlement Areas in order to maximize efficient use of existing or planned urban services. | ✓ | ✓ | |
| IGMS-12 – Clarify study and policy requirements for Area-Specific Plans in the Regional Official Plan to differentiate between Designated Greenfield Area and redevelopment/intensification contexts. | | ✓ | |
| IGMS-13 – Update land use compatibility policies in the Regional Official Plan in accordance with Provincial plans and policies. | ✓ | ✓ | |
| IGMS-14 – Strengthen inclusionary zoning policies introduced through Area-Specific Plan requirements under Regional Official Plan Amendment 48 by establishing complementary housing objectives and policies. | ✓ | ✓ | |
| IGMS-15 – Broaden policies permitting the creation of additional residential units within and ancillary to detached houses, semi-detached houses, and townhouses. | | ✓ | |
| IGMS-16 – Strengthen policies to prevent the loss of rental housing and to mitigate the impacts of rental conversion or replacement on tenants and the rental market. | | ✓ | |
| IGMS-17 – Provide additional direction to Local Municipalities to support the achievement of Halton Region's 30% affordable unit mix target through Area-Specific Plans. | | ✓ | |
| Rural and Agricultural System | | | |

| | | | |
|--|--|--|---|
| RAS-1 – Create three new mutually exclusive land use designations: Prime Agricultural Areas, Rural Lands or Key Features to provide clarity about land uses in Halton's Rural Area. | | | ✓ |
| RAS-3 – Update the Rural Agricultural Strategy to address non-land use related matters to further support and strengthen the Rural and Agricultural System. | | | ✓ |
| RAS-3 – Update the policies of the Regional Official Plan to broaden permissions and allow for more opportunities for agriculture-related uses and on-farm diversified uses as outlined in Provincial policies, plans and guidelines. | | | ✓ |
| RAS-4 – Introduce new policies in the Regional Official Plan that may permit cemeteries, subject to criteria, in the new Rural Lands designation. | | | ✓ |
| RAS-5 – Update the policies in the Regional Official Plan to clarify when an Agricultural Impact Assessment is required. | | | ✓ |
| RAS-6– Update the Regional Official Plan to permit Special Needs Housing in the Rural Area and Additional Residential Units within the Agricultural and Rural Area. | | | ✓ |
| RAS-7 – Introduce new policies in the Regional Official Plan that support an enhanced planning and development review process at both the Regional and local levels that supports new and expanded agricultural uses and which provides clarity on the Region's role as a commenting agency on Niagara Escarpment Commission applications. | | | ✓ |
| RAS-8– Introduce new policies in the Regional Official Plan that implement near urban planning best practices to minimize the impacts of urban development on nearby agriculture. | | | ✓ |
| | | | |

| Natural Heritage System | | | |
|---|--|--|---|
| NH-1 – Incorporate mapping and policies in the Regional Official Plan that implement the new Natural Heritage System for the Growth Plan. | | | ✓ |
| NH-2 – Incorporate and update policies that implement updated policies on natural heritage from the Greenbelt Plan and the Niagara Escarpment Plan. | | | ✓ |
| NH-3 – Harmonize the mapping and policies for the Greenbelt Natural Heritage System and the Natural Heritage System for the Growth Plan to create a Provincial Natural Heritage System. | | | ✓ |
| NH-4 – Incorporate new policies and mapping in the Regional Official Plan that implements a Water Resource System. | | | ✓ |
| NH-5 – Update and enhance existing policies in the Regional Official Plan on Natural Hazards to be consistent with and conform to Provincial Policies and Plans. | | | ✓ |
| NH-6 - Update Regional Official Plan mapping to include a Natural Heritage System overlay with Key Features designated in rural areas and maintain the Natural Heritage System designation in Settlement Areas. | | | ✓ |
| NH-7 – Update the policies and mapping that build on the existing comprehensive Regional Natural Heritage System policy framework. | | | ✓ |
| NH-8 – Update the Regional Plan to recognize the impacts of invasive species on the determination of the significance of woodlands. | | | ✓ |
| NH-9 – Update the Regional Official Plan to include policies that conform to the three source protection plans that apply in the Region. | | | ✓ |
| NH-10 – Introduce a new policy in the Regional Official Plan that requires the Region to develop a Halton Region Natural Heritage Strategy. | | | ✓ |
| NH-11 – Update and enhance current policies in the Regional Official Plan to | | | ✓ |

| | | | |
|--|--|--|---|
| recognize agriculture in components of the Natural Heritage System. | | | |
| Indigenous Peoples, Communities and First Nations | | | |
| IP-1 – Update the Regional Official Plan to recognize and acknowledge interests of Indigenous Peoples, Communities and First Nations related to land use, including consultation on land use planning matters. | | | ✓ |
| IP-2 – Update the Regional Official Plan to recognize and acknowledge interests of Indigenous Peoples, Communities and First Nations related to consultation on land use planning matters. | | | ✓ |
| IP-3 – Update the Regional Official Plan to ensure adequate recognition and protection of Indigenous Cultural Heritage, particularly related to archaeological resources. | | | ✓ |
| North Aldershot Planning Area | | | |
| NAPA-1 – Integrate the North Aldershot planning framework with the Rural and Agricultural System policies in the Regional Official Plan through the application of a 'Rural Land' designation to the lands currently identified as 'North Aldershot Policy Area. | | | ✓ |
| NAPA-2 – Align policies for urban servicing with updated Provincial policy direction that requires municipal services to be directed to urban areas by removing the 'Area Eligible for Urban Servicing' overlay on Map 1. Servicing policies for North Aldershot will be integrated with the policies applicable to the Rural and Agricultural System. | | | ✓ |
| Implementation | | | |

| | | | |
|---|--|--|---|
| IMP-1 – Improve the legibility and wayfinding of the Regional Official Plan by reviewing the organization of the Plan, the numbering of policies, the heading and sub-heading structure of the document, mapping, and the page layout including title pages and section covers. | | | ✓ |
| IMP-2 – Update Regional Official Plan policies, as needed, to improve clarity of implementation and intent and undertake general housekeeping edits. | | | ✓ |

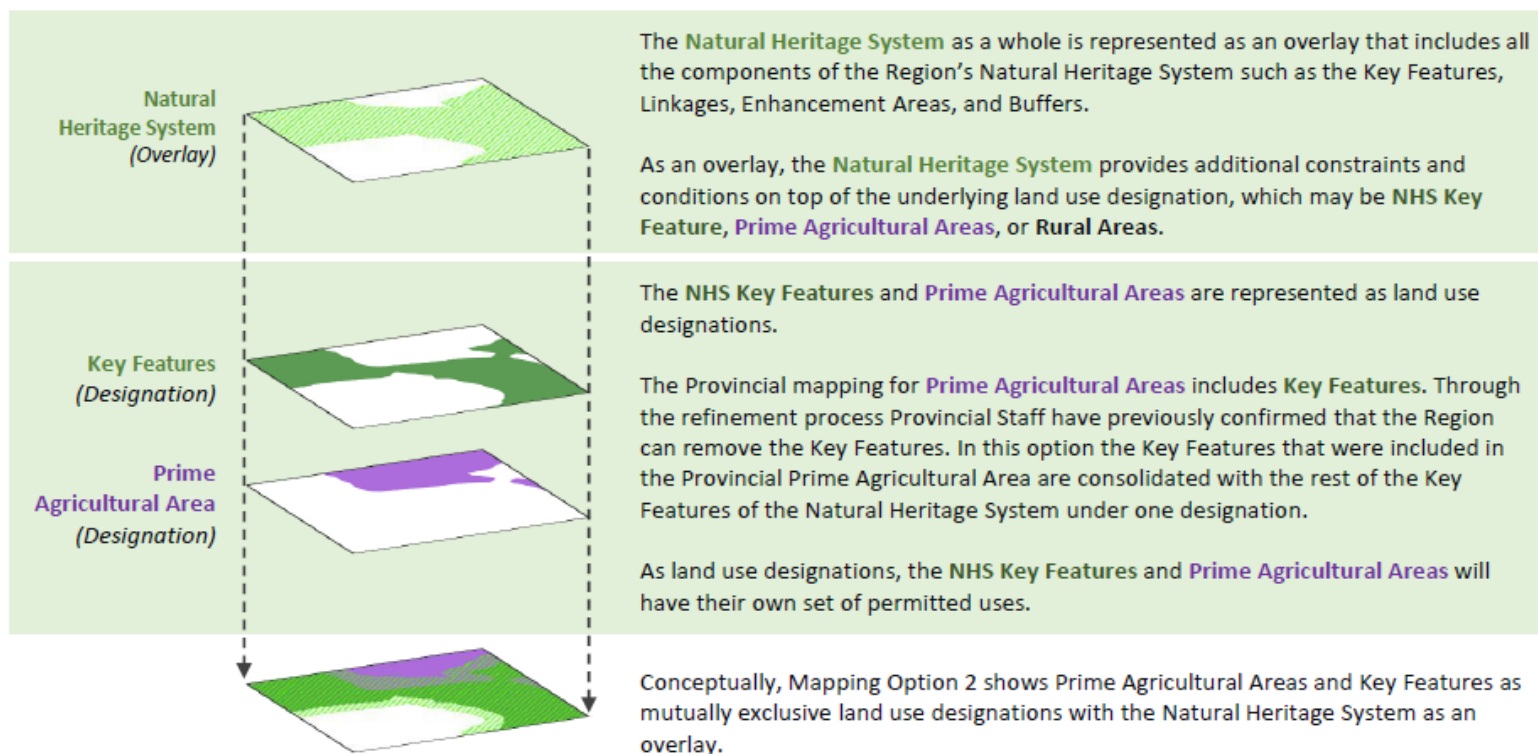
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| IMP-3 – Harmonize and consolidate policies and principles that are repetitive in the Regional Official Plan. | | | ✓ |
| IMP-4 – Coordinate and align the Regional Official Plan with strategic documents, policies, guidelines, and programs at the Region, and also reduce duplication to refocus the Regional Official Plan on strategic objectives appropriate to the implementation of land use planning matters. | | | ✓ |
| IMP-5 – Update the Regional Official Plan to reflect current practices and changes to Provincial policies and legislation not reflected in theme areas. | | | ✓ |
| | | | |

Appendix B

Mapping Option 2: Prime Agricultural Area and Key Features are designated with a Natural Heritage System overlay

Mapping Option 2: Prime Agricultural Area and Key Features are designated with a Natural Heritage System overlay. Key features that overlap with the Prime Agricultural Area are cut out of the Prime Agricultural Area and incorporated into the Key Features designation.

Option 2 Mapping Concept

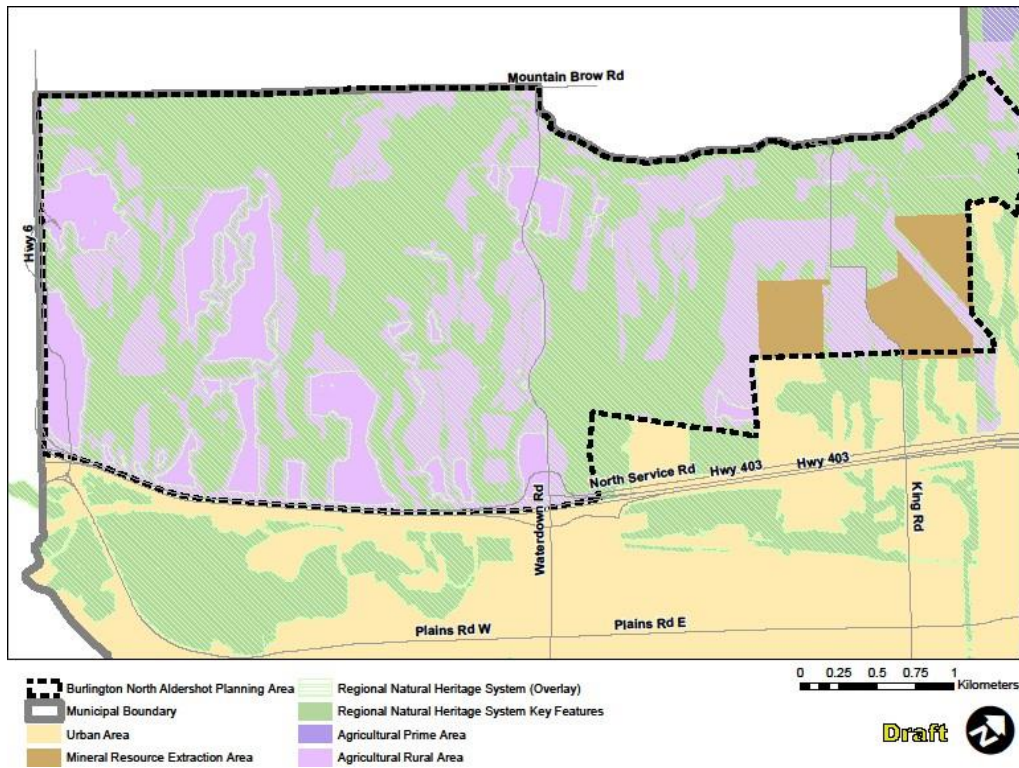


Option 2 Considerations



| | | |
|------|-------------------------------|--|
| Pros | Map User Friendliness: | <ul style="list-style-type: none"> Clear visualization of how the Prime Agricultural Areas, NHS, and Key Features interconnect |
| | Policy Application: | <ul style="list-style-type: none"> Balanced approach and clear representation of the NHS as a system with emphasis on the protection of Key Features and Prime Agricultural Areas Policies for Key Features are applied consistently through one designation (instead of 2 designations in Option 3) |
| | Provincial Direction: | <ul style="list-style-type: none"> Meets Provincial direction for designating Prime Agricultural Areas and identifying Key Features Easiest method to identify Key Features in the RNHS, GBNHS, and NHSGP |
| Cons | Map User Friendliness: | <ul style="list-style-type: none"> Does not identify Linkages, Enhancements, and Buffers as a separate layer (they are included in the Natural Heritage System Overlay which includes the entire system) |
| | Policy Application: | <ul style="list-style-type: none"> Detracts from the systems approach on which the RNHS is based on by creating two tiers; Key Features being treated differently from other components in the RNHS |

Appendix C North Aldershot Map



Note: This map does not confer any final land use designations with respect to policy directions.

Regional Official Plan Review



VIA EMAIL

July 8, 2022

Legislative & Planning Services
Department
Office of the Regional Clerk
1151 Bronte Road
Oakville ON L6M 3L1

Heather Watt, Ministry of Municipal Affairs and Housing
Fred Natolochny, Grand River Conservation Authority
Joshua Campbell, Credit Valley Conservation
Kellie McCormack, Conservation Halton
Frederick Thibeault, Halton District School Board
Branko Vidovic, Halton Catholic District School Board
Kevin Arjoon, City Clerk, City of Burlington
Meaghen Reid, Town Clerk, Town of Milton
Vicki Tytaneck, Town Clerk, Town of Oakville
Valerie Petryniak, Town Clerk, Town of Halton Hills

Please be advised that at its meeting held Wednesday, June 15, 2022, the Council of the Regional Municipality of Halton adopted the following resolution:

RESOLUTION: LPS50-22 - Recommendation Report - Regional Official Plan Amendment No. 49 – “An Amendment to Implement the Integrated Growth Management Strategy”

1. THAT pursuant to sections 17 and 26 of the *Planning Act*, Regional Council adopt Regional Official Plan Amendment No. 49 – “An Amendment to Implement the Integrated Growth Management Strategy”, being Attachment #1 to Report No. LPS50-22, as amended by Council regarding the Palermo Village Primary Regional Node.
2. THAT the Director of Legal Services prepare the necessary By-laws to give effect to Recommendation No. 1 above.
3. THAT the Regional Clerk forward the necessary documentation to the Minister of Municipal Affairs and Housing as the approval authority for Regional Official Plan Amendment No. 49.
4. THAT the Regional Clerk give notice of the adoption of Regional Official Plan Amendment No. 49 in accordance with the Planning Act and its regulations.

Regional Municipality of Halton

HEAD OFFICE: 1151 Bronte Rd, Oakville, ON L6M 3L1

905-825-6000 | Toll free: 1-866-442-5866

5. THAT the Regional Clerk forward a copy of Report No. LPS50-22 to the Ministry of Municipal Affairs and Housing, the City of Burlington, the Town of Halton Hills, the Town of Milton, the Town of Oakville, Conservation Halton, Credit Valley Conservation Authority, the Grand River Conservation Authority, the Halton District School Board, and the Halton Catholic District School Board for their information.

Included please find a copy of Report No. LPS50-22 for your information. Please note that the resolution adopted by Council differs from the staff recommendation in the report.

If you have any questions please contact me at the e-mail address below.

Sincerely,



Graham Milne
Regional Clerk
graham.milne@halton.ca

| | |
|------------|---|
| Report To: | Regional Chair and Members of Regional Council |
| From: | Bob Gray, Commissioner, Legislative and Planning Services and Corporate Counsel |
| Date: | June 15, 2022 |
| Report No: | LPS50-22 |
| Re: | Recommendation Report - Regional Official Plan Amendment No. 49 – “An Amendment to Implement the Integrated Growth Management Strategy” |

RECOMMENDATION

1. THAT pursuant to sections 17 and 26 of the *Planning Act*, Regional Council adopt Regional Official Plan Amendment No. 49 – “An Amendment to Implement the Integrated Growth Management Strategy”, being Attachment #1 to Report No. LPS50-22.
2. THAT the Director of Legal Services prepare the necessary By-laws to give effect to Recommendation No. 1 above.
3. THAT the Regional Clerk forward the necessary documentation to the Minister of Municipal Affairs and Housing as the approval authority for Regional Official Plan Amendment No. 49.
4. THAT the Regional Clerk give notice of the adoption of Regional Official Plan Amendment No. 49 in accordance with the *Planning Act* and its regulations.
5. THAT the Regional Clerk forward a copy of Report No. LPS50-22 to the Ministry of Municipal Affairs and Housing, the City of Burlington, the Town of Halton Hills, the Town of Milton, the Town of Oakville, Conservation Halton, Credit Valley Conservation Authority, the Grand River Conservation Authority, the Halton District School Board, and the Halton Catholic District School Board for their information.

REPORT

Executive Summary

- The purpose of this report is to recommend Regional Council adopt Regional Official Plan Amendment (ROPA) No. 49 – “An Amendment to Implement the Integrated Growth Management Strategy” provided as Attachment #1 to this report.
- ROPA 49 is the second amendment to the Regional Official Plan advanced as part of Halton’s municipal comprehensive review under section 26 of the *Planning Act*. The purpose of the amendment is to implement the results of the Integrated Growth Management Strategy process and to address conformity with the Provincial Growth Plan for the Greater Golden Horseshoe.
- The amendment proposes to update how the Regional Official Plan plans for future growth in population, housing, and jobs. It plans to accommodate growth up to 2041 within Halton’s existing urban areas and provides a framework for planning for growth between 2041 and 2051. The amendment also includes other updates that support Halton’s growth strategy, including updates to intensification and density targets, development phasing, the Regional Urban Structure, Strategic Growth Areas, Employment Areas, and corridor protection, among other things.
- The proposed amendment is informed by the Integrated Growth Management Strategy, a multi-year process that considered a range of approaches to accommodating growth in Halton Region to 2051 and that culminated with Regional Council’s direction to advance a Modified Preferred Growth Concept. It was also supported by public input and a range of technical studies, including a Land Needs Assessment, which is provided as Attachment #2 to this report.
- Consultation on the Integrated Growth Management Strategy has occurred throughout the Regional Official Plan Review Process. Public consultation on Draft ROPA 49 occurred between March and May 2022 in accordance with sections 17 and 26 of the *Planning Act*. A public open house was held on April 6, 2022 and a statutory public meeting was held on April 13, 2022. Prior to this, a special meeting of Regional Council was held and a draft of the amendment was provided to the Minister of Municipal Affairs and Housing. Information was also made available on the Region’s webpage for review and comment. The submissions received on Draft ROPA 49 and Regional staff’s responses are identified in Attachment #4 to this report.
- For the reasons outlined in this report, staff recommend that ROPA 49 be adopted by Regional Council and forwarded to the Minister of Municipal Affairs and Housing who is the approval authority for the amendment.

Background

This section of the report provides information on the Regional Official Plan Review and Integrated Growth Management Strategy process and how they have informed Regional Official Plan Amendment (ROPA) No. 49. It also provides a summary of the contents of ROPA 49 and the public consultation process undertaken in support of the amendment.

The Regional Official Plan Review and Integrated Growth Management Strategy

The Regional Official Plan Review process began with a Commencement Report in 2014 and an initial Phase 1 Directions Report in 2016. Following successive changes to the Provincial planning framework in 2017 and 2019, including revisions to the Growth Plan for the Greater Golden Horseshoe (the “Growth Plan”) that updated the applicable planning horizon, population and employment forecasts, and other growth targets, the Integrated Growth Management Strategy component of the process began in 2019. The key milestones in this process that have led to ROPA 49 are described below.

- ***Developing Growth Scenarios***

In 2019, through Report No. LPS41-19 re: “Regional Official Plan Review – Progress Updates on the Integrated Growth Management Strategy and Preliminary Growth Scenarios”, Regional Council received information on a range of Preliminary Growth Scenarios and an Evaluation Framework. This report presented high-level options that Halton could consider in planning for population and employment growth.

Following additional consultation with the Local Municipalities, in May 2020 Regional Council endorsed the Evaluation Framework and directed Regional staff to prepare a range of more detailed Growth Concepts that built on the Growth Scenarios that advanced local plans and priorities.

- ***Defining a Regional Urban Structure***

A series of Discussion Papers were released in July 2020 to explore issues and receive public input on the range of theme areas considered in the Regional Official Plan Review. For the Integrated Growth Management Strategy, a ‘Regional Urban Structure Discussion Paper’ explored key areas in Halton Region where higher-density, transit-supportive growth could be directed, including Urban Growth Centres, Major Transit Station Areas and other Regional Nodes and Corridors.

Based on the Discussion Paper and the feedback received, Regional Council directed staff to develop an amendment to the Regional Official Plan related to urban structure. ROPA 48 – “An Amendment to Define a Regional Urban Structure” was adopted by Regional Council in July 2021 through Report No. LPS60-21 and approved by the Minister of Municipal Affairs and Housing in November 2021. This framework identified Strategic Growth Areas and advanced strategic employment conversions, providing a foundation that informed how to plan for growth in Halton as part of the Integrated Growth Management Strategy.

- ***Defining & Evaluating Growth Concepts***

Building on the Growth Scenarios and Regional Urban Structure, a series of detailed Growth Concepts were prepared by Regional staff. These were presented to Regional Council through Report No. LPS18-21 re: “Regional Official Plan Review - Integrated Growth Management Strategy - Growth Concepts Discussion Paper”. An additional Concept was also produced at the direction of Regional Council, discussed in Report No. LPS45-21 re: “Additional Information Relating to Growth Concepts Associated with the Integrated Growth Management Strategy – Regional Official Plan Review”.

The Growth Concepts identified approaches to accommodating new people, jobs, and housing units in Halton Region. While all Concepts directed a significant amount of growth to key areas within the Regional Urban Structure, they each tested a different proportion of the growth directed to existing urban areas versus new expansion areas (i.e., to lands outside the existing Regional Urban Boundary). The Growth Concepts Discussion Paper also included assessments related to land needs, transportation, water and wastewater infrastructure, fiscal impacts, agriculture, natural heritage and water resources, among other things. A significant amount of public input and feedback was received on the Growth Concepts, through Public Information Centres and written submissions between February and July 2021.

- ***Presenting a Preferred Growth Concept***

Following consultation on the Growth Concepts, Regional staff provided an update to Regional Council in July 2021 through Report No. LPS51-21 re: “Regional Official Plan Review: Work Plan Update and Overview of Key Principles as the Foundation for a Draft Preferred Growth Concept”. The report provided an overview of the engagement activities and feedback received on the Growth Concepts and outlined a set of Key Principles which were used as a foundation for a balanced approach to planning for growth in Halton through a Preferred Growth Concept. These included:

- Confirming and Supporting a Regional Urban Structure
- Setting an Ambitious and Achievable Intensification Target
- Meeting the Challenge of Climate Change
- Establishing a Broad Range and Mix of Housing
- Providing a Complete Spectrum of Employment Opportunities
- Advancing Strategic Employment Land Conversions
- Setting Bold Yet Achievable Community Area & Employment Area Density Targets
- Establishing Strong Development Phasing Policies
- Ensuring Growth Proceeds without Negative Fiscal Impacts
- Maximizing Agricultural Land Protection
- Further Enhancing the Natural Heritage System

In November 2021, a Council Workshop was held to provide Regional Council with information on a Draft Preferred Growth Concept developed by Regional staff based

on the Key Principles, the feedback received on the Growth Concepts Discussion Paper, and the evaluation of the Growth Concepts from a technical perspective.

A subsequent Council Workshop was held in February 2022, and a detailed Preferred Growth Concept Report was provided to Regional Council for information. This Report outlined Regional staff's draft recommendation on a growth strategy for Halton, and included the following detailed technical assessments related to this growth strategy:

- Land Needs Assessment
- Existing Employment Area Delineation
- Agricultural Impact Assessment
- Natural Heritage and Water Resources Assessment
- Greenhouse Gas Emissions Assessment
- Water and Wastewater Assessment
- Transportation Assessment
- Fiscal Impact Assessment

The Preferred Growth Concept presented to Regional Council at that time identified a detailed distribution of growth to the Local Municipalities to 2051 which directed almost 80 per cent of population and employment growth to existing urban areas and planned for significant shifts in Halton's future housing and employment mix. It also identified urban expansions for 1,120 hectares of new Community Area land and 1,070 hectares of new Employment Area land in order to accommodate certain types of housing and employment growth that analysis indicated could not be located within existing areas.

- ***Advancing a Modified Preferred Growth Concept***

Following the presentation to Regional Council of a Preferred Growth Concept, on February 16, 2022, Regional Council adopted a motion directing staff to advance a Modified Preferred Growth Concept. Through the adoption of this motion, Regional Council directed staff to develop an amendment to the Regional Official Plan that would advance an approach that accommodates growth in two phases: pre-2041 (where all growth is directed to areas within the existing Regional Urban Boundary) and from 2041 to 2051 (where a policy framework guides how planned growth is distributed through a future amendment).

While this direction differs from the approach set out by Regional staff in the February 2022 Preferred Growth Concept Report, it is not contradictory, as it continues to advance many of the same important objectives for accommodating growth in Halton. The Modified Preferred Growth Concept generally implements the recommended Preferred Growth Concept up to 2041 while taking a careful approach to planning for the 2041 to 2051 period by setting out a policy framework to guide the distribution of growth during this later timeframe. This approach is supported by an updated Land Needs Assessment, provided as Attachment #2 to this report, which confirms there is sufficient land in Halton to accommodate growth to 2041.

ROPA 49 Overview

The purpose of ROPA 49 is to advance changes to the Regional Official Plan that implement the Integrated Growth Management Strategy and address conformity with the Growth Plan. The key components of the amendment are described below.

- ***Planning for Growth in Halton to 2051***

Building on the Integrated Growth Management Strategy and Regional Council's direction on a Modified Preferred Growth Concept, ROPA 49 advances a strategy for accommodating the 1,100,000 people and 500,000 jobs assigned to the Region through Schedule 3 of the Growth Plan by identifying these population and employment forecasts for Halton in Table 1 and planning for this growth in the two distinct phases described below.

For growth prior to 2041, the amendment updates Table 1 to identify a specific distribution of population and employment growth to each Local Municipality. Growth during this period is directed to areas within the existing Regional Urban Boundary, to important Strategic Growth Areas that form the Regional Urban Structure, and to areas throughout the Built-Up Area and Designated Greenfield Areas.

For the 2041 to 2051 period, the amendment identifies a framework that would apply to planning for growth during this timeframe through a future amendment to the Regional Official Plan. Such an amendment would be subject to the existing settlement area boundary expansion policies in the Regional Official Plan as well as a framework that requires consideration of changes to the Provincial planning framework, information from an annual monitoring framework on key growth-related indicators, and the results of studies related to natural heritage and agriculture.

- ***Intensification & Density Targets***

The amendment updates existing intensification and density targets in Table 2 and adds a new density target for Halton's Employment Areas. These targets are required by the Growth Plan and support implementing and achieving Halton's growth strategy.

ROPA 49 proposes an alternate intensification target of 45 per cent of new housing development each year being located within the Built-Up Area (the area identified by the Province as having existing urban development by 2006). The Built-Up Area is shown on Map 1H of the Regional Official Plan. The alternate target of 45 per cent is different than the 50 per cent target identified in the Growth Plan. The need and rationale for advancing an alternate intensification target has been documented through the Integrated Growth Management Strategy process. The use of this alternate target is necessary in order to enable a sufficient amount of growth to be directed to strategic areas both within and outside of the Built-Up Area. A formal request to use this alternate target in accordance with Policy 2.2.2.4 of the Growth Plan, including the required rationale, is provided in Attachment #3 to this report.

At 62 residents and jobs per hectare, the minimum density target for the Designated Greenfield Area identified in Table 2 exceeds the Growth Plan minimum of 50 residents and jobs per hectare. It is important to note that this target applies to all lands within the Regional Urban Boundary that are outside the Built-Up Area, including lands that were developed at lower densities than are currently being planned for. Lands added to the Regional Urban Boundary through the Sustainable Halton process and ROPA 38 are generally being planned for a minimum density of 65 residents and jobs per hectare. A minimum density target is identified for each Local Municipality which reflects the applicable local context.

A new minimum density target is proposed in Table 2 that applies to Halton's Employment Areas – lands that are identified and protected over the long term for certain types of employment uses. The minimum density target is 26 jobs per hectare. This new target and associated policy updates will support the efficient use of land in Halton's Employment Areas. Like the Designated Greenfield Area target, an Employment Area density target is identified for each Local Municipality that recognizes the unique characteristics of their employment lands.

Through ROPA 48, a new Table 2b was added to the Regional Official Plan to identify growth targets for applicable Strategic Growth Areas. These targets are proposed to be updated through ROPA 49 to identify a minimum density target for the Milton-Trafalgar GO Major Transit Station Area and to identify minimum density targets and general targets for the proportion of residents and jobs within Primary Regional Nodes located in the Town of Oakville and Milton. These targets are intended to be measured over the entirety of the Strategic Growth Area, as applicable, and achieved over the long term.

- ***Regional Development Phasing***

The Regional Official Plan identifies Regional development phasing targets in five-year increments. This long-standing phasing approach is proposed to be updated through ROPA 49, with the identification of housing units within the Built-Up Area and Designated Greenfield Area of each municipality and the phasing of employment growth in five-year increments to 2041. This is consistent with and builds on Halton's existing development phasing policies. Appropriate updates have been made to implement the Modified Preferred Growth Concept, to reflect changes to the 2021 base year resulting from information in the 2021 Census, to implement the updated intensification target, to incorporate information from local planning processes, and to ensure the logical and orderly progression of development across Halton.

- ***Regional Urban Structure & Strategic Growth Areas***

The Regional Urban Structure was identified through ROPA 48, the first amendment advanced as part of the Regional Official Plan Review process. Through ROPA 49, a number of updates are proposed to this framework. This includes the identification of the Milton-Trafalgar GO Major Transit Station Area in the area of Milton known as

Agerton, an update to the framework for Regional Nodes, and the introduction of a framework for Regional Intensification Corridors.

The Town of Milton has identified planning for the Agerton area near the intersection of Trafalgar Road and Derry Road as a key local planning priority. Planning for these lands has been an important consideration as part of the Integrated Growth Management Strategy. Through ROPA 48, a strategic employment conversion was advanced on lands west of Trafalgar Road. Through ROPA 49, a Major Transit Station Area boundary is proposed as delineated on Map 1H and the conversion of additional lands within this boundary is also proposed in recognition of the important role of these lands in the Regional Urban Structure. In accordance with the motion adopted by Regional Council on April 20, 2022, the amendment also proposes to add the lands within the northeastern quadrant of the delineated Major Transit Station Area to the Regional Urban Boundary. These lands are currently owned by Canadian Pacific Railway and are not used for farming purposes. The inclusion of these 25 hectares within the Regional Urban Boundary will facilitate comprehensive planning for the Milton-Trafalgar GO Major Transit Station Area, supporting its ability to accommodate high-density, mixed-use, and transit-oriented development.

The policy framework for Regional Nodes is proposed to be revised in response to modifications made by the Province through its decision on ROPA 48 which removed the direction to Local Municipalities to set density targets for Regional Nodes on the basis that such targets must first be identified in the Regional Official Plan. ROPA 49 proposes to revise the framework for Regional Nodes such that: Primary Regional Nodes are now those that have a delineated boundary on Map 1H and that are assigned targets in Table 2b, and, Secondary Regional Nodes are identified by symbol on Map 1H and are not assigned targets in Table 2b.

Regional Intensification Corridors are proposed as an additional component of the Regional Urban Structure in ROPA 49. These are areas that serve an existing or planned higher order transit function, have a role in connecting other elements of the Regional Urban Structure, and are planned to accommodate higher-density development appropriate to the existing local context. The proposed Regional Intensification Corridors are identified conceptually on Map 1H. The policy framework for these areas makes clear that they apply only within the Regional Urban Boundary, highlights their important role within the Regional Urban Structure, and identifies the importance of local planning in guiding growth and development in these areas.

Together, the updates to the Regional Urban Structure proposed in ROPA 49 reinforce the important role of Strategic Growth Areas throughout the Region in accommodating a significant amount of population and employment growth in Halton.

- ***Halton's Regional Urban Boundary***

The existing Regional Urban Boundary has been delineated and is proposed to be shown on all maps in the Regional Official Plan through ROPA 49. The boundary reflects the extent of the existing Urban Area designation. It also includes the addition

of the lands described above related to the Milton-Trafalgar GO Major Transit Station Area. Halton's growth strategy described above directs growth to 2041 to lands within the Regional Urban Boundary. With the exception of the change associated with the Milton-Trafalgar GO Major Transition Station Area, no expansions to this settlement area boundary are proposed through ROPA 49.

- ***Halton's Employment Areas***

Halton's Employment Areas are shown on Map 1H of the Regional Official Plan and represent areas identified and protected over the long term for a broad range of employment uses. The initial delineation of the Employment Areas occurred through ROPA 38, and the Integrated Growth Management Strategy process has reviewed these areas and advanced certain revisions, conversions, and additions through both ROPAs 48 and 49. Employment conversions have been assessed in accordance with the criteria in Policy 2.2.5.9 of the Growth Plan and Section 83.2(4) of the Regional Official Plan, as well as the principles set out in the Regional Urban Structure Discussion Paper (July 2020). These principles built on the Provincial and Regional policy criteria and provided additional information on how impacts to employment land supply, demonstrated need, employment area viability, and other general considerations would be considered in assessing conversion requests in the context of the Integrated Growth Management Strategy. The delineation of the Employment Areas as proposed in ROPA 49 is summarized in 'Appendix B' to the Preferred Growth Concept report provided to Regional Council for information in February 2022.

Changes to the policies that apply to these areas are also included in ROPA 49. The amendment continues the existing prohibition on residential and major retail uses, revises the policy framework for permitted uses within the Employment Areas, updates the criteria for planning for sensitive land uses (including prohibiting sensitive land uses with a residential component), and provides additional direction to support the more detailed planning for these areas undertaken by the Local Municipalities.

- ***Corridor Protection***

Recognizing the importance of Halton's Employment Areas in accommodating growth, ROPA 49 proposes to narrow the corridor protection area that currently applies predominantly in the Town of Halton Hills and the Premier Gateway Employment Area. ROPA 49 proposes to remove a significant amount of land from the corridor protection area initially added to the Regional Official Plan through ROPA 43 in 2014. The corridor protection area is narrowed such that it only applies to lands within the Preferred Route and Focused Analysis Area for Highway 413 and the Northwest GTA Transmission Corridor as well as for an area related to the Halton-Peel Boundary Area Transportation Study (HPBATS). The policy framework is updated to clearly identify the process through which the corridor protection area would continue to be narrowed.

- ***Other Policy & Mapping Updates***

The amendment includes proposed updates to the maps in the Regional Official Plan related to the Integrated Growth Management Strategy, including depicting the delineated Regional Urban Boundary on all maps, and updating the boundaries or conceptual locations of Strategic Growth Areas on Map 1H, the boundaries of Employment Areas on Map 1C and Map 1H, and the boundaries of corridor protection areas on Map 3.

A comprehensive update to the maps of the Regional Official Plan, including to address matters related to source protection, the Regional Natural Heritage System, and the Agricultural System, will be advanced in the next stage of the Regional Official Plan Review process and implemented through a subsequent amendment.

Consultation Process

ROPA 49 has been informed by the consultation that has occurred throughout the Regional Official Plan Review and the Integrated Growth Management Strategy process as well as by the specific public input and feedback received since the release of Draft ROPA 49 on March 24, 2022.

A significant amount of consultation on the Integrated Growth Management Strategy occurred as part of the Regional Official Plan Review process. An initial summary of the consultation process was provided to Regional Council in February 2021 through Report No. LPS05-21 re: “Regional Official Plan Review – Phase 2 Initial Consultation Summary”. An updated summary of public engagement on the Integrated Growth Management Strategy, including a summary of the feedback on the Growth Concepts received at a series of Public Information Centres held in May 2021 was provided to Regional Council in July 2021. A final summary of the consultation process, including a detailed response document on comments received in relation to the Growth Concepts and the Integrated Growth Management Strategy, was included in the information materials provided to Regional Council at its Council Workshop on February 9, 2022.

Prior to the release of the draft amendment in March 2022, the consultation requirements in section 26 of the *Planning Act* were met. A special meeting of Regional Council was held on November 18, 2020 that provided the public with an opportunity to discuss the revisions that may be required to the Regional Official Plan. Consultation also occurred with the approval authority and the prescribed public bodies, including the circulation of a draft amendment to the Minister of Municipal Affairs and Housing in October 2021.

Consultation on Draft ROPA 49 from March 2022 to May 2022 has included:

- the release of the draft amendment for public consultation on March 24, 2022, including posting the amendment and supporting information on **halton.ca/ROPR**, providing notice via e-mail to the Regional Official Plan Review mailing list and to prescribed bodies and agencies, and through advertisements in local newspapers;

- circulation of the proposed amendment to prescribed bodies and agencies, such as conservation authorities, school boards, utilities, railways, as well as to Indigenous communities;
- a 50-day public commenting period between March 24, 2022 and May 13, 2022;
- a public open house held virtually on April 6, 2022 to provide the public with an opportunity to review and ask questions related to the amendment, attended by over 150 people;
- a statutory public meeting held on April 13, 2022 to provide the public with an opportunity to make submissions to Regional Council on the proposed amendment, at which 18 delegations were made and 25 written submissions were received;
- a meeting with Ministry of Municipal Affairs and Housing staff in April 2022;
- meetings with Local Municipal planning staff in April and May 2022; and
- informal discussions at the request of the public and other stakeholders.

A summary of how this consultation has informed ROPA 49 as recommended for adoption by Regional staff is addressed in the following section of this report.

Discussion

The purpose of this section of the report is to provide a summary of the comments received on Draft ROPA 49, how they have been considered and responded to by Regional staff, and the changes that have been made to the amendment as a result. It also provides Regional staff's analysis of the amendment in relation to Provincial plans and policies and a recommendation to Regional Council on the amendment. Finally, it outlines the next steps related to ROPA 49 following a decision by Regional Council.

Public Comments on Draft ROPA 49

In total, 62 written submissions were provided on Draft ROPA 49 by the end of or just following the conclusion of the commenting period on May 13, 2022. These submissions are documented in Attachment #4 to this report. In that attachment, Regional staff's responses are provided alongside the submissions and indicate how the submission has informed ROPA 49. Appendix II within ROPA 49 (Attachment #1 to this report) also identifies in detail the items in the amendment that have been updated based on the feedback received and further review.

A summary of the key feedback received on Draft ROPA 49 and a description of how it informed the final amendment as presented to Regional Council is provided below.

- ***Comments on the Modified Preferred Growth Concept and the Framework for Planning for Growth between 2041 and 2051***

A number of submissions identified support for the Modified Preferred Growth Concept and the growth strategy advanced through ROPA 49. These submissions highlighted

the benefits of directing growth to existing urban areas and protecting prime agricultural areas, among other things. At the same time, many submissions expressed concerns with the approach, and in particular its relationship to Provincial planning policies and local municipal planning objectives, the implications of not advancing any expansions to the Regional Urban Boundary, potential challenges with achieving the ambitious shifts in the Region's housing mix, the lack of detail on how growth between 2041 and 2051 will be distributed, and overall concerns that ROPA 49 does not reflect a balanced approach to accommodating growth in Halton.

- *No changes to ROPA 49 were made based on these submissions.*

The population and employment forecasts to 2051 for Halton Region as set out in the Growth Plan are included in Table 1 of the Regional Official Plan as amended by ROPA 49. This growth is distributed to the local municipal level to 2041 in a manner that advances many important Provincial, Regional, and Local Municipal planning objectives by focusing a significant amount of growth over the next two decades in the Strategic Growth Areas that form important parts of the Regional and Local Urban Structures, as well as to areas throughout the Built-Up Area and existing Designated Greenfield Areas in Halton.

The Land Needs Assessment provided as Attachment #2 to this report was prepared in a manner consistent with the Provincial Land Needs Assessment Methodology for the Greater Golden Horseshoe. Based on this technical work, there is sufficient land within the Region's existing urban area to accommodate population and employment growth to 2041. It is noted that, based on currently available information and analysis, the Land Needs Assessment identifies a need for additional land to accommodate growth between 2041 and 2051.

ROPA 49 recognizes the importance of planning for growth between 2041 and 2051 and sets out a framework to guide how this growth is to occur.

It is important to note that the Strategic Growth Areas in the Regional Urban Structure will continue to play a central role in accommodating growth in Halton. As noted in Section 35 of the Regional Official Plan, these Strategic Growth Areas represent durable elements that are subject to long-term planning beyond 2051. This is reinforced in Section 55.3 of the Plan, which notes that many of the targets in Table 2b are to be achieved beyond the 2051 planning horizon. In this way, through ROPAs 48 and 49, the Regional Official Plan Review and Integrated Growth Management Strategy have identified a structure that will support accommodating a significant amount of Halton's future population and employment growth over the long term. Growth will continue to be directed to these areas to 2041, 2051, and beyond, based on their strategic locations and the existing and planned investments in infrastructure that will ensure a range of important planning objectives are met. For example, the Land Needs Assessment is based on about 75 per cent of housing unit growth between 2041 and 2051 continuing to be accommodated in existing areas.

The monitoring framework in ROPA 49 requires reporting on an annual basis on a range of growth-related indicators. This is a central component of the framework for planning growth in the 2041 to 2051 period. In addition to annual reporting on key growth indicators, the Regional Official Plan will continue to be reviewed regularly in accordance with the *Planning Act* or at the direction of Regional Council. There will be at least two, and possibly more, reviews of the Regional Official Plan prior to 2041. This will support evidence-based decision-making for growth in the later part of the planning horizon and ensure it occurs in a timely manner that allows for sufficient time to advance comprehensive planning work for areas where this growth will ultimately be distributed. This will also support Halton in continuing to achieve the objectives of the Growth Plan that support planning for a significant shift to a more compact and mixed-use urban form.

The growth strategy proposed in ROPA 49 also takes into consideration the importance of planning objectives related to agriculture, the natural heritage system, and climate change. In balancing these objectives, the amendment appropriately directs growth to existing urban areas while ensuring current information and adequate time are available to support decision-making for growth in the later part of the planning horizon.

- ***Comments on Planning for New Community Area and Employment Area Lands***

Many submissions sought a reconsideration of the approach in ROPA 49 and its exclusion of any expansions to the Regional Urban Boundary. These submissions provided information on specific areas within Halton, highlighting their attributes as areas outside the Regional Urban Boundary that would be appropriate locations to accommodate planned population and employment growth.

- *No changes were made to ROPA 49 based on these submissions.*

Based on Regional Council's direction related to the Modified Preferred Growth Concept, the amendment does not advance any expansions to the Regional Urban Boundary, save for the small area within the Milton-Trafalgar GO Major Transit Station Area. The Land Needs Assessment provided as Attachment #2 to this report, prepared in a manner consistent with the Provincial methodology, concluded that there is sufficient land within the Region's existing urban area to accommodate population and employment growth to 2041.

Any future expansion to the Regional Urban Boundary would occur in accordance with the policies set out in the Regional Official Plan as amended by ROPA 49 through a future amendment, as necessary. This includes the existing settlement area boundary expansion policies, as well as the framework for planning for growth between 2041 and 2051 implemented through ROPA 49. As noted above, this framework includes provisions for comprehensive monitoring that will report annually on a series of growth-related indicators. This will ensure that should it be determined that lands outside the existing Regional Urban Boundary are required

to accommodate future growth, there will be sufficient lead time to undertake the comprehensive planning of these lands prior to 2041.

- ***Comments on Existing Designated Greenfield Areas & Development Phasing***

The role of the existing Designated Greenfield Areas in Halton Region in accommodating growth was also raised in many submissions. In particular, landowners expressed concerns around impacts to ongoing local secondary plan work and requested a transition policy be included in the amendment so that these lands would be planned for in accordance with the existing Regional Official Plan.

- *No changes to ROPA 49 were required in response to these submissions.*

As noted in a number of submissions, the role of existing Designated Greenfield Areas in accommodating growth in Halton was a subject of discussion throughout the Integrated Growth Management Strategy process. In particular, a component of the Region's growth strategy focussed on what was termed 'densification' or 'greenfield intensification'. It was clarified that this refers to planning for additional apartment units in certain strategic areas within the Designated Greenfield Area in support of local plans and priorities. For example, this includes additional growth contemplated in the Primary Regional Nodes in North Oakville as well as important areas in the Town of Milton such as the Milton Education Village and the Milton-Trafalgar GO Major Transit Station and the adjoining Trafalgar Road corridor.

It is important to note that the planning context has evolved considerably in the decade since the last update to the Regional Official Plan in 2009 through ROPA 38 and the identification of Regional development phasing through ROPA 39 in 2011. The Integrated Growth Management Strategy has provided an opportunity to review and update previous assumptions related to the timing of development. Most importantly, this includes incorporating information available from recent local municipal planning work, which Regional staff have ensured is appropriately reflected throughout the Integrated Growth Management Strategy. In many cases, these updated local municipal plans and priorities differ from ROPA 38 and the Region's 2011 Best Planning Estimates.

ROPA 49 also reflects information from the 2021 Census as well as current understandings of the likely timing of development based on how growth in the Designated Greenfield Area has progressed between 2011 and the present. In this way, it appropriately reflects the existing and expected timing of development within the Designated Greenfield Areas and advances the Regional Official Plan's objective of ensuring development occurs in a logical, orderly manner.

It is important that the lands within the Regional Urban Boundary be planned for comprehensively through the Regional Official Plan. The Region's growth strategy is implemented through Tables 1, 2, 2a and 2b, which contain specific targets that apply across Halton Region and that are necessary in order to conform with and implement the policies of the Growth Plan. It is not possible or appropriate to apply

the existing Regional Official Plan policies and targets to specific parts of Halton Region.

Based on the information provided above, in Regional staff's view, a transition policy is not required or appropriate in ROPA 49. It is recognized that the timing of development within the existing Designated Greenfield Area will occur over a slightly longer timeframe, informed by the observed realities of the past ten years as well as updates to the Region's overall growth strategy. However, no changes are proposed through ROPA 49 that would significantly alter the ongoing planning of the existing Designated Greenfield Areas and their ultimate development as envisioned by the Local Municipalities. Regional staff will continue to work with the Local Municipalities and landowners to support the development of lands within the existing Designated Greenfield Areas in Halton Region.

- ***Comments on Planning for Employment Areas***

A handful of submissions were received from participants in the Regional Official Plan Review process seeking to remove their lands from the Regional Employment Areas through the employment conversion process. Other submissions highlighted the importance of protecting and planning for employment lands.

- *No changes have been made to ROPA 49 in response to this information.*

These requests have all been considered as part of the Integrated Growth Management Strategy process in accordance with the approach identified in the Regional Urban Structure Discussion Paper in July 2020. This approach is based on a consideration of Provincial and Regional policy criteria and related principles outlined through the Integrated Growth Management Strategy. A summary of changes to the Region's Employment Areas, including details on the assessment of conversion requests, was included in Appendix B to the Preferred Growth Concept Report provided to Regional Council for information in February 2022. No additional conversions beyond those already included in the draft amendment are proposed to be advanced in ROPA 49 as attached to this report.

No significant comments were received on the overall changes proposed to the Employment Area policy framework as set out in ROPA 49. However, concerns were identified by landowners within the Premier Gateway Employment Area and Town of Halton Hills staff related to the proposed removal of an existing exemption for non-employment uses where such uses were permitted in a Local Official Plan prior to December 16, 2009.

- *A change has been made to ROPA 49 in response to this feedback.*

A new Section 83.2(1.1) is proposed in ROPA 49. The proposed policy would continue to recognize major retail uses that are permitted by a Local Official Plan prior to December 16, 2009 (the date Regional Council adopted ROPA 38). This balances the objectives of implementing a consistent framework across the

Region's Employment Areas while ensuring existing local planning frameworks are recognized and supported.

- ***Comments on Corridor Protection***

Draft ROPA 49 proposed to narrow the corridor protection area related to Highway 413 and the Northwest GTA Transmission Corridor to reflect only the Preferred Route for Highway 413 as identified by the Province in 2020. Additional information was provided with respect to the need to continue protecting the broader Highway 413 Focused Analysis Area and the Northwest GTA Transmission Corridor Narrowed Area of Interest until such time as the requisite Environmental Assessment Act processes have been completed or it is determined that lands no longer require protection.

- Adjustments have been made to ROPA 49 based on the feedback received.

The corridor protection areas identified on Map 3 are proposed to be updated in the version of ROPA 49 attached to this report. Map 3 now proposed to identify primary and secondary corridor protection areas for Highway 413 and the Northwest GTA Transmission Corridor, with the primary area representing the Highway 413 Preferred Route and the secondary area representing the Highway 413 Focused Analysis Area and the Northwest GTA Transmission Corridor Narrowed Area of Interest. The proposed policies in ROPA 49 note that the primary corridor protection area is to be protected over the long term while the secondary corridor protection area is intended to be protected only until such time as the final locations of the Highway 413 Corridor and the Northwest GTA Transmission Corridor are confirmed.

The proposed policies also identify how further updates to the corridor protection areas will occur. First, the corridor protection areas would be narrowed automatically when a preferred alignment has been determined through an Environmental Assessment Act process. Second, the corridor protection areas would be updated through the phased release of lands by the Region and Local Municipalities, in particular within the secondary corridor protection area, where it is determined that they no longer require protection in consultation with and to the satisfaction of the Province. In both cases, no further amendment to the Regional Official Plan would be required. Corridor protection is also identified for the Halton-Peel Boundary Area Transportation Study (HPBATS).

This approach results in the release of approximately 1,800 hectares from the corridor protection area originally implemented through ROPA 43, with about 225 hectares of this being lands designated Urban Area within the Premier Gateway Employment Area. Regional staff will continue to work with the Town and Province to further narrow the corridor protection areas in Halton and to ensure designated employment lands are made available for development as soon as possible.

- ***Comments on Planning for Agriculture***

The importance of planning for agriculture and supporting farms and farmers was also highlighted in a number of the submissions and feedback received on the draft amendment. A range of perspectives were provided, including those that were supportive of the amendment given its approach to direct growth within the existing Regional Urban Boundary as well as those that highlighted concerns around the viability of agriculture in Halton, and in particular in areas which can be considered as locations for future urban growth in accordance with Provincial plans and policies.

- *Comments related to planning for and supporting agriculture will be addressed in the next phase of the Regional Official Plan Review.*

Report No. LPS44-22 re: “Regional Official Plan Review – Policy Directions Report”, identifies a number of proposed policy directions that will inform updates to the Regional Official Plan in support of planning for agriculture and the rural and agricultural policies in the Regional Official Plan. Halton’s existing Agricultural Strategy will also be reviewed in the coming years to further support and strengthen the agricultural sector in Halton Region.

- ***Comments on Planning for Climate Change***

The importance of ensuring the Regional Official Plan responds to the challenges posed by climate change was also raised in a number of submissions on the draft amendment and the feedback on the Integrated Growth Management Strategy.

- *An update has been made to ROPA 49 in response to the feedback received on how the amendment addresses climate change.*

Climate change has been an important consideration as part of the Integrated Growth Management Strategy. The growth strategy implemented through ROPA 49 advances an approach that supports many of Halton’s objectives related to addressing climate change, including by directing growth to existing urban areas that can be supported by existing and planned transit infrastructure. To more effectively emphasize this, a new objective for the Regional Urban Structure is proposed to be added to Section 78.1 of the Regional Official Plan. This objective identifies the importance of Halton’s growth strategy in supporting climate change mitigation.

Comprehensive updates to the Regional Official Plan that address policy directions on climate change mitigation and adaptation will occur in the next stage of the Regional Official Plan Review process as outlined in Report No. LPS44-22.

- ***Comments on Mapping Updates***

A number of comments were received related to the mapping changes advanced in ROPA 49. For the most part, these comments identified the need for minor boundary

adjustments or technical corrections, and opportunities to provide greater clarity in the depiction of map elements, legend items, or notations. Clarification was also sought in terms of the types of changes being advanced as part of ROPA 49 versus through a future part of the Regional Official Plan Review process.

- *The following map updates to the Regional Official Plan as amended by ROPA 49 have been made on the basis of feedback received:*
 - An update is proposed to the Regional Urban Boundary in ROPA 49 to implement the direction from Regional Council on April 20, 2022 related to the inclusion of lands within the Milton-Trafalgar GO Major Transit Station Area. Updates to all maps on which the Regional Urban Boundary is depicted have been made along with the applicable updates to land use designations and constraints to development.
 - Changes are proposed to Map 1H to update the boundary of the Milton-Trafalgar GO Major Transit Station (in response to Regional Council direction) and to refine the boundary of the Neyagawa Urban Core Primary Regional Node (based on feedback received from Town of Oakville staff). Updates are also proposed to the depiction of Regional Intensification Corridors to ensure it is clear that they are identified conceptually and that their associated policies only apply to lands within the Regional Urban Boundary.
 - A note is proposed to be included on Map 1D – Municipal Wellhead Protection Zones to direct the reader to the applicable Source Protection Plan pending future updates to this mapping as part of the next phase of the Regional Official Plan Review.

A comprehensive update to the maps of the Regional Official Plan, including to address matters related to source protection, the Regional Natural Heritage System, and the Agricultural System, will be advanced in the next stage of the Regional Official Plan Review process and implemented through a subsequent amendment to be introduced in 2023. More information about the proposed policy directions and mapping updates that will be addressed through the Regional Official Plan Review is available in the Policy Directions report provided to Regional Council through Report No. LPS44-22.

Local Municipal Comments on Draft ROPA 49 & Integrated Growth Management Strategy

The Local Municipalities in Halton have provided essential input throughout the Integrated Growth Management Strategy process. A summary of local municipal feedback on Draft ROPA 49 as well as their positions on the overall growth strategy set out in the amendment and the Modified Preferred Growth Concept is provided below.

- ***City of Burlington***

In January 2022, Burlington Council received a staff report that provided comments from a Burlington perspective on the Draft Preferred Growth Concept. The report

noted that the Preferred Growth concept would result in a growth strategy generally consistent with the City's own Growth Analysis Study. The report also recommended increasing the amount of major office employment directed to Major Transit Station Areas and supported the conclusion that it is not appropriate to include the North Aldershot Policy Area as part of the Preferred Growth Concept.

Through a May 2022 report, the City provided comments on Draft ROPA 49. Overall, the comments were supportive of the changes to the Regional Official Plan being advanced as part of ROPA 49. The City's comments and responses from Regional staff are documented in Attachment #4 to this report.

- ***Town of Halton Hills***

Formal comments on the Draft Preferred Growth Concept were not provided by the Town. However, in response to a July 2021 report on the Growth Concepts, Town Council supported an expansion to the Georgetown Urban Area of about 350 hectares as well as the addition of approximately 350 hectares of new employment lands.

In a letter dated May 16, 2022, Town staff provided comments on Draft ROPA 49. The letter provided comments on matters related to the policies for Halton's Employment Areas as well as corridor protection areas, which have been discussed above in relation to other feedback received on Draft ROPA 49.

The Town's letter also identified concerns related to the amount and timing of development identified in the Town's Built-Up Area and Designated Greenfield Area. These comments, as well as Regional staff's responses, are documented in Attachment #4 to this report.

In particular, Regional staff note the Town's comments on the amount of growth directed to the Town's Built-Up Area, and concerns with this minimum target potentially being treated as a maximum through the implementation of ROPA 49. Ensuring there is appropriate support and flexibility in planning for growth through intensification will be an important part of implementing Halton's growth strategy. The Regional Urban Structure is planned to accommodate a significant amount of growth across Halton in both the short-term and over the long-term. As the Region's infrastructure master plans are updated to support the Region's growth strategy, consideration will be given to analyzing the potential for intensification at levels greater than anticipated as well as for growth that will occur within the Regional Urban Structure beyond the horizon of the plan. This will help support increased flexibility in planning for intensification in the Town and across Halton Region.

- ***Town of Milton***

In January 2022, Town Council received a staff report on the Draft Preferred Growth Concept. Town Council adopted the report's recommendation to endorse the Preferred Growth Concept and to request that the Region ensure its growth strategy supports a steady stream of development in Milton.

In a letter dated May 12, 2022, Milton staff provided comments on Draft ROPA 49. The letter reiterated Town Council's support for the Preferred Growth Concept as presented in February 2022 and identified a number of concerns with the approach advanced in ROPA 49. This includes concerns with the supply of available employment lands in the Town, issues with the lack of balance between residential intensification and development in designated greenfield areas and the Town's ability to plan complete communities, and related concerns about impacts to assessment growth and fiscal instability due to shortfalls in land available for development. These comments are documented in Attachment #4 to this report.

In accordance with the framework for planning for growth between 2041 and 2051, the Region will actively monitor and report on a range of growth-related indicators, including those related to employment land supply and absorption rates. This will ensure the Region is able to plan appropriately for growth during this period and ensure sufficient time is provided to advance comprehensive planning work for the areas where this growth will ultimately be distributed.

- ***Town of Oakville***

In January 2022, Town Council received a report on the Integrated Growth Management Strategy and Draft Preferred Growth Concept. The report identified a number of concerns with the Draft Preferred Growth Concept, including with the proposed settlement area boundary expansions and approach to the distribution of growth throughout Halton. Town Council endorsed these criticisms and forwarded them to the Region as input to the Integrated Growth Management Strategy.

Many of the Town's concerns are addressed as part of the Modified Preferred Growth Concept and ROPA 49, and Regional staff have worked closely with Town staff on adjustments to the amendment to ensure it appropriately reflects the Town's urban structure.

Additional Changes to ROPA 49

In addition to the changes to ROPA 49 discussed above and proposed in response to the feedback received, an additional change is proposed to the housing mix target in the Regional Official Plan based on Regional staff's review. Section 86(6) of the Regional Official Plan contains housing targets related to affordability and the overall mix of housing units. The existing housing mix target states that at least 50 per cent of new housing units produced annually in Halton be in the form of townhouses or multi-storey buildings. Halton has met the existing housing mix target on a consistent basis over the past decade, as reported on through the annual State of Housing report.

As has been highlighted throughout the Integrated Growth Management Strategy process, the Region's growth strategy as reflected in ROPA 49 is based in large part on shifting toward accommodating a significant amount of growth in Halton through apartments. This is reflected in the Land Needs Assessment analysis as well as the

updates proposed to the intensification and density targets and the Regional phasing shown in Tables 2, 2a, and 2b, respectively. As a result, it is appropriate to update the housing mix target to ensure it reflects the results of the Integrated Growth Management Strategy process and so that there is consistency with the overall growth strategy throughout the Regional Official Plan. Section 86(6)a) of the Regional Official Plan is proposed to be updated such that the annual target for the proportion of new housing units in Halton that are townhouses or multi-storey buildings is 65 per cent to 2031 and 75 per cent for each year thereafter.

Provincial Policy Analysis

ROPA 49 is being undertaken as part of the Region's municipal comprehensive review process and advances updates to the Regional Official Plan in response to Provincial plans and policies. A key driver of this review then, has been updates to the Growth Plan, which applies to municipalities in the Greater Golden Horseshoe area and provides detailed direction on how this broader region is to plan and manage growth in an effort to shift to more compact development patterns, support a greater variety of housing options, and promote growth that fosters greater integration of transit and land use planning.

The Growth Plan notes that it builds upon the policy foundation provided in the Provincial Policy Statement, 2020 by providing additional and more specific land use planning policies applicable to the Greater Golden Horseshoe area. As a result, the discussion below focuses on the detailed policies set out in the Growth Plan.

A summary of how conformity with the Growth Plan has been addressed as part of the Regional Official Plan Review process and ROPAs 48 and 49 is provided below.

- ***Managing Growth***

The Growth Plan requires upper-tier municipalities to manage growth in accordance with the forecasts set out in Schedule 3. For Halton Region, this is 1,100,000 people and 500,000 jobs by 2051. These forecasts are included in Table 1 of the Regional Official Plan as amended by ROPA 49, and provide the basis for planning and managing growth in Halton to 2051.

ROPA 49 plans for a significant amount of growth in Halton Region. It supports accommodating 316,000 more people and 222,000 more jobs in Halton between 2021 and 2041, and supports a Regional Urban Structure that will continue to accommodate a significant amount of growth to the 2051 planning horizon and beyond.

Growth is distributed through ROPA 49 within Halton Region based on Policy 2.2.1.2 of the Growth Plan, which requires that growth be directed to settlement areas and focused in the Built-Up Area, Strategic Growth Areas, and areas with existing or planned transit and public service facilities. This is accomplished in large part through the Regional Urban Structure identified in ROPA 48 and updated through ROPA 49, which identifies important areas throughout Halton Region where a significant amount of growth is directed given the existing or planned transit, public service facilities, and

infrastructure investments in these areas. Growth is also directed throughout the Built-Up Area and the existing Designated Greenfield Areas in Halton Region where growth will occur in new, compact, and complete communities.

The existing Regional Official Plan, as well as the growth strategy and policies in ROPA 49, support the integrated planning approach required by Policy 2.2.1.3 of the Growth Plan. The Regional Official Plan identifies a hierarchy of strategic growth areas within the Regional Urban Boundary, requires comprehensive planning for and the efficient use of existing and planned infrastructure, and supports the protection of the natural heritage and agricultural systems in Halton.

The direction to support complete communities as required by Policy 2.2.1.4 of the Growth Plan is also reflected in the Regional Official Plan and ROPA 49. There are many objectives and policies in the Regional Official Plan that require comprehensive planning for new growth areas to ensure that an appropriate mix of land uses and housing options, as well as access to a range of transportation choices, public services facilities, and parks and open spaces, among other things, are planned for.

As noted above, ROPA 49 reflects the population and employment forecasts set out in Schedule 3 of the Growth Plan as the basis for planning and managing growth in Halton Region to 2051. The local municipal distribution of this growth to 2041 is included in Table 1 as amended by ROPA 49. The specific distribution of growth in the later part of the planning period would be confirmed through a subsequent amendment to the Regional Official Plan, informed by the policy framework identified in ROPA 49.

As discussed earlier in this report, the Regional Urban Structure will continue to play an important role in accommodating growth in Halton beyond 2041 and 2051, and annual reporting on a series of growth-related indicators as part of the framework for planning for growth between 2041 and 2051 will ensure sufficient time is available to undertake or update comprehensive planning for the areas where this growth is ultimately distributed. This reflects a made-in-Halton plan for growth and development and enables Halton to make decisions on future growth having the best possible data and information. The Plan will enable decisions to be made by Regional Council with appropriate time to enable full and comprehensive planning processes to articulate the vision for growth beyond 2041 through the next comprehensive review. This approach continues to respond to and fulfill the Growth Plan's guiding principles and objectives related to prioritizing intensification, making efficient use of land and infrastructure, and protecting natural heritage and the long-term viability of agriculture. It represents an appropriate and prudent approach to planning for growth in the later part of the planning period.

- ***Provincial Land Needs Assessment Methodology***

Policy 2.2.1.5 of the Growth Plan states that the Minister will establish a methodology for assessing land needs and that this methodology will be used by municipalities to

assess the quantity of land required to accommodate forecasted growth to the horizon of the Growth Plan. The Provincial 'Land Needs Assessment Methodology for the Greater Golden Horseshoe' was updated on August 28, 2020 and has informed the technical work undertaken as part of the Integrated Growth Management Strategy.

The Land Needs Assessment Methodology sets out an approach to determining how much land is required to accommodate forecasted population and employment growth and directs municipalities to plan for and designate a sufficient supply of lands.

The Land Needs Assessment prepared as part of the Integrated Growth Management Strategy adheres to the Provincial methodology. Comments provided by the Ministry of Municipal Affairs and Housing from February 2022 on a draft of the Land Needs Assessment (included in Attachment #4 to this report) were relatively minor in nature and did not identify any significant concerns with the approach taken at that time. The final Land Needs Assessment provided as Attachment #2 to this report, maintains the overall approach and conclusions of the earlier draft while providing more detailed information on land need to 2041 and 2051. It concludes that there is sufficient land in Halton Region to accommodate population and employment growth to 2041, but that additional land would be required to accommodate growth between 2041 and 2051. The manner in which these conclusions have been implemented through ROPA 49 is outlined above and discussed throughout this report. It is expected that through the next review, additional data and information available through enhanced annual monitoring will enable Council to make decisions with greater confidence about whether land needs are accurate and reasonable.

- ***Intensification Targets, Density Targets, & Strategic Growth Areas***

Building on the overall direction related to managing growth, the Growth Plan sets out a number of targets that upper-tier municipalities are to implement through a municipal comprehensive review process. This includes the intensification target described in Policy 2.2.2.1, the density target for Employment Areas described in Policy 2.2.5.13, the density target for Designated Greenfield Areas described in Policy 2.2.7.2, and the targets for Strategic Growth Areas such as Urban Growth Centres (Policy 2.2.3.2) and Major Transit Station Areas (Policy 2.2.4.3).

These targets form a central component of Halton's growth strategy and have been added to or updated in the Regional Official Plan through ROPA 49. They are included in Table 2, Table 2a, and Table 2b, with supporting policies that implement these targets located throughout the Plan.

Table 2 directs 53,300 housing units to the Built-Up Area across Halton Region by 2041 to implement the target that 45 per cent of new housing units occurring in Halton annually are located within the Built-Up Area. As described earlier in this report and summarized in Attachment #3, the growth strategy in ROPA 49 is based on the use of an alternate intensification target as permitted by Policy 2.2.2.4 of the Growth Plan. The intensification target is supported by a range of other policies that represent a

strategy for achieving the intensification target in accordance with Policy 2.2.2.3 of the Growth Plan, including the identification of the Regional Urban Structure and its Strategic Growth Areas and the policies that support the Local Municipalities in developing comprehensive plans for these areas.

Table 2 also identifies a minimum density target for the Designated Greenfield Area of 62 residents and jobs per hectare and a minimum density target for Halton's Employment Areas of 26 jobs per hectare. These targets reflect the growth expected in these areas of Halton to 2041. In both cases, detailed targets are identified for each Local Municipality that reflect their local context.

Density targets for Strategic Growth Areas in Halton Region are identified in Table 2b. This includes targets for Urban Growth Centres, Major Transit Station Areas, and Primary Regional Nodes. These density targets are supported by policies that implement the Growth Plan directions related to Urban Growth Centres (Policy 2.2.3) and well as Transit Corridors and Stations Areas (Policy 2.2.4).

- ***Employment Areas***

Section 2.2.5 of the Growth Plan provides municipalities with directions to support and promote economic development and competitiveness by planning for employment. ROPA 49 advances a number of updates to the Regional Official Plan that respond to these directions, including confirming the location of Halton's Employment Areas on Map 1H in accordance with Policies 2.2.5.5 and 2.2.5.6, identifying permitted uses within employment areas in accordance with Policy 2.2.5.7, ensuring land use compatibility and the appropriate interface with non-employment areas in accordance with Policy 2.2.5.8, and directing certain types of employment growth to Strategic Growth Areas based on Policy 2.2.5.3.

- ***Settlement Area Boundary Expansions***

Section 2.2.8 of the Growth Plan identifies policies that apply to settlement area boundary expansions. As noted above, ROPA 49 proposes to direct growth to the year 2041 to lands within the existing Regional Urban Boundary and does not advance any settlement area boundary expansions, with the exception noted below.

The only exception to this is the addition of approximately 25 hectares of land to the Regional Urban Boundary associated with the Milton-Trafalgar GO Major Transit Station Area. These lands were identified as part of the boundary delineated for this Strategic Growth Area and were considered as part of the Preferred Growth Concept report and its supporting technical studies presented to Regional Council for information in February 2022. Given the location of these lands within an 800-metre radius of a proposed major transit station, they were included within a delineated Major Transit Station Area in accordance with Policy 2.2.4.2 of the Growth Plan. The addition of these lands to the Regional Urban Boundary is necessary to support the comprehensive development of the Major Transit Station Area and would not

adversely affect the achievement of the minimum intensification and density targets set out in ROPA 49. The feasibility and appropriate location requirements for a settlement area boundary expansion in Policy 2.2.8.3 of the Growth Plan are met in this instance given the location of the lands within a Major Transit Station Area and on the basis of the technical studies and assessments related to infrastructure, fiscal impacts, natural heritage, and agriculture and undertaken as part of the Integrated Growth Management Strategy process.

ROPA 49 also updates the Regional Official Plan to reflect the updated requirements of Policies 2.2.8.2 and 2.2.8.3 of the Growth Plan and to include the ability to advance expansions or adjustments to the Regional Urban Boundary outside of a municipal comprehensive review process in accordance with Policies 2.2.8.4 and 2.2.8.5.

- ***Infrastructure to Support Growth***

The Growth Plan speaks to the importance of infrastructure required to support growth and directs that infrastructure planning, land use planning, and infrastructure investment occur in an integrated manner. The Integrated Growth Management Strategy process has approached planning for growth in Halton in this manner, with assessments related to transportation, water, and wastewater infrastructure, as well as fiscal impacts, forming an important consideration and input into the growth strategy reflected in ROPA 49. The policies in the Regional Official Plan support this approach and contain a strong framework to ensure land use and infrastructure planning occur in an integrated and effective manner. This approach will be continued through a future Integrated Master Plan for Water, Wastewater and Transportation infrastructure undertaken by the Region to support planned growth in Halton.

- ***Protecting What is Valuable***

In addition to the direction related to accommodating growth, the Growth Plan also provides direction to municipalities on protecting and planning for natural heritage, agriculture, cultural heritage resources, mineral aggregate resources, and climate change. The Regional Official Plan contains a strong foundation related to all of these policy areas, with existing policies addressing the directions in the Growth Plan. Updates and refinements to these policies will be addressed through a subsequent amendment to the Regional Official Plan advanced as part of the next stage of the Regional Official Plan Review process.

Overall, through the Regional Official Plan Review and Integrated Growth Management Strategy process, ROPAs 48 and 49 have made changes to the Regional Official Plan to advance conformity with the Growth Plan that support accommodating new people, housing units, and jobs in Halton Region.

Recommendation

Regional staff are satisfied that ROPA 49 is consistent with the Provincial Policy Statement, 2020, conforms to the Growth Plan, and has regard for matters of Provincial

interest. Regional staff are also satisfied it represents good planning and is in the public interest.

On the basis of the information and analysis provided through this report, Regional staff recommend that ROPA 49, provided as Attachment #1, be adopted by Regional Council.

Next Steps

If Regional Council adopts ROPA 49, the amendment will be forwarded to the Minister of Municipal Affairs and Housing in accordance with Section 17(31) of the *Planning Act*. The Minister is the approval authority for ROPA 49 and has the ability to approve, modify and approve as modified, or refuse to approve the amendment.

With recent changes to the *Planning Act* through Bill 109, once the ROPA is sent to the Minister, the Minister now has the following options as to how the ROPA is approved, modified or refused:

1. The Minister may refer all or part of the ROPA to the Ontario Land Tribunal (OLT) for a written recommendation as to whether the Minister should approve the whole ROPA or part of the plan, make modifications and approve the plan or part of the plan as modified, or refuse the plan or part of the plan and shall give reasons for the recommendation. The OLT may hold a hearing before making a recommendation to the Minister; or,
2. The Minister may refer all or part of the ROPA to the OLT for a decision. The OLT may hold a hearing before making a written decision to approve the whole ROPA or part of the plan, make modifications and approve the plan or part of the plan as modified, or refuse the plan or part of the plan as adopted by Council, and
3. The Minister may suspend the time period for making a decision (120 days) by giving notice of the suspension to the Region which has the effect of suspending the 120 days until the date the Minister rescinds the notice. Once the notice is rescinded then the approval would follow the process set out in 1 or 2 above.

To date there has been no guidance or criteria forthcoming from the Ministry as to how the Minister will decide to refer matters to the OLT for a recommendation or decision.

Regional staff note that a delay in the timing of a Provincial decision on ROPA 49 would have significant impacts to Halton's ability to effectively plan and manage growth. As an example, following Regional Council's adoption of ROPA 38 in December 2009, a Provincial decision was not issued until November 2011. This was followed by a multi-year Ontario Municipal Board hearing, with the approval of Region's growth strategy not occurring until 2013. This resulted in a multi-year delay to local policy conformity and area-specific planning exercises, and ultimately, to the timing of new development in Halton Region. Given the shared interest in planning and managing growth in a timely manner, the Province is encouraged to work with the Region to advance a decision on ROPA 49 within 120 days of receiving the amendment as set out in the *Planning Act*.

Regional staff will monitor the Provincial decision-making process on ROPA 49 and advise Regional Council of what actions are being taken by the Minister of Municipal Affairs and Housing.

FINANCIAL/PROGRAM IMPLICATIONS

The current approved budget for T8021D (Regional Official Plan Update) includes sufficient funding to facilitate the ROPR.

Respectfully submitted,



Curt Benson
Director, Planning Services and Chief
Planning Official



Bob Gray
Commissioner, Legislative and Planning
Services and Corporate Counsel

Approved by



Jane MacCaskill
Chief Administrative Officer

If you have any questions on the content of this report,
please contact:

Curt Benson

Tel. # 7181

Attachments: [Attachment #1 – ROPA 49 – June 2022 \(Under Separate Cover\)](#)
[Attachment #2 – Land Needs Assessment Report – March 2022](#)
[Attachment #3 – Alternate Intensification Target Request Information](#)
[Attachment #4 – ROPA 49 Comment Response Document \(Under Separate Cover\)](#)



VIA EMAIL

June 27, 2022

Legislative & Planning Services
Department
Office of the Regional Clerk
1151 Bronte Road
Oakville ON L6M 3L1

Heather Watt, Ministry of Municipal Affairs and Housing
Jennifer Keyes, Ministry of Northern Development, Mines, Natural Resources and Forestry
Kellie McCormack, Conservation Halton
Kevin Arjoon, City Clerk, City of Burlington
Meaghen Reid, Town Clerk, Town of Milton
Vicki Tytaneck, Town Clerk, Town of Oakville
Valerie Petryniak, Town Clerk, Town of Halton Hills

Please be advised that at its meeting held Wednesday, June 15, 2022, the Council of the Regional Municipality of Halton adopted the following resolution:

RESOLUTION: LPS42-22 - Recommendation Report – Regional Official Plan Amendment No. 51 – “Milton Education Village Complementary Greenbelt Lands Policy Area”

1. THAT pursuant to the Planning Act, Regional Council adopt Regional Official Plan Amendment No. 51 – “Milton Education Village Complementary Greenbelt Lands Policy Area”, being Attachment #1 to Report No. LPS42-22.
2. THAT the Director of Legal Services prepare the necessary By-laws to give effect to Recommendation No.1 above.
3. THAT the Regional Clerk give notice of the adoption of Regional Official Plan Amendment No. 51 in accordance with the provisions of the Planning Act and its regulations.
4. THAT the Regional Clerk forward a copy of Report No. LPS42-22 to the Ministry of Municipal Affairs and Housing, Ministry of Northern Development, Mines, Natural Resources and Forestry, the City of Burlington, the Town of Halton Hills, the Town of Milton, the Town of Oakville, and Conservation Halton for their information.

Included please find a copy of Report No. LPS42-22 for your information.

Regional Municipality of Halton

HEAD OFFICE: 1151 Bronte Rd, Oakville, ON L6M 3L1

905-825-6000 | Toll free: 1-866-442-5866

If you have any questions please contact me at the e-mail address below.

Sincerely,

A handwritten signature in blue ink, appearing to read 'G. Milne', with a stylized flourish at the end.

Graham Milne
Regional Clerk
graham.milne@halton.ca

| | |
|------------|--|
| Report To: | Regional Chair and Members of Regional Council |
| From: | Bob Gray, Commissioner, Legislative and Planning Services and Corporate Counsel |
| Date: | June 15, 2022 |
| Report No: | LPS42-22 |
| Re: | Recommendation Report – Regional Official Plan Amendment No. 51 – “Milton Education Village Complementary Greenbelt Lands Policy Area” |

RECOMMENDATION

1. THAT pursuant to the *Planning Act*, Regional Council adopt Regional Official Plan Amendment No. 51 – “Milton Education Village Complementary Greenbelt Lands Policy Area”, being Attachment #1 to Report No. LPS42-22.
2. THAT the Director of Legal Services prepare the necessary By-laws to give effect to Recommendation No.1 above.
3. THAT the Regional Clerk give notice of the adoption of Regional Official Plan Amendment No. 51 in accordance with the provisions of the *Planning Act* and its regulations.
4. THAT the Regional Clerk forward a copy of Report No. LPS42-22 to the Ministry of Municipal Affairs and Housing, Ministry of Northern Development, Mines, Natural Resources and Forestry, the City of Burlington, the Town of Halton Hills, the Town of Milton, the Town of Oakville, and Conservation Halton for their information.

REPORT

Executive Summary

- The purpose of this report is to recommend Regional Council adopt Regional Official Plan Amendment (ROPA) No. 51 (File No. RQ62A) – “Milton Education Village Complementary Greenbelt Lands Policy Area”, as modified by the Region (Attachment #1 to this report).

- Under section 22 of the *Planning Act*, an application for a Regional Official Plan amendment was filed by the Town of Milton on November 11, 2020 and deemed complete by Regional staff on December 16, 2020. The application proposed to amend the Regional Official Plan to add a stormwater management research facility, green infrastructure and related ancillary uses to lands located west of the Milton Education Village Secondary Plan in the Town of Milton. These lands are identified as Protected Countryside and Greenbelt Natural Heritage System in the Greenbelt Plan and are referred to in the application as the MEV ROPA lands and shown in Attachment #2 to this report. The effect of proposed ROPA 51 would be to create a special policy area, “Milton Education Village Complementary Greenbelt Lands Policy Area”, within the Regional Official Plan for lands within the Agricultural Area, the Greenbelt Plan Protected Countryside and in part subject to the Regional Natural Heritage System and Greenbelt Natural Heritage System overlay. The special policy area would permit stormwater management facilities which represent green infrastructure that support the Milton Education Village’s scientific research goals, uses directly associated with a stormwater management facility as well as non-intensive uses related to scientific study, education and research to be permitted subject to specific criteria.
- The statutory meeting required under the Planning Act was held on February 9, 2022.
- This report provides Regional Council with information related to the ROPA application, comments received at the public meeting and the assessment completed by Regional staff against relevant Provincial and Regional Planning policies. The comments received and input from the public through the circulation and at the public meeting are summarized in Attachment #3 to this report.
- For the reasons outlined in this report, staff recommend ROPA 51 be adopted by Regional Council.

Background

This section of the report provides a summary of the proposed MEV ROPA application, identifies information that has been submitted in support of the application and where it can be accessed, speaks to the relationship of the application to the Milton Education Secondary Plan, and outlines the consultation undertaken on the application.

Overview of the Application

• **Location**

The subject lands are located in the Town of Milton west of Tremaine Road generally between Derry Road and Britannia Road adjacent to the Milton Education Village Secondary Plan lands within the Protected Countryside area of the Provincial Greenbelt Plan. More specifically, the lands subject to the ROPA are outside of the Region’s Urban Area and are bound by Bell School Line and The Town of Milton

municipal boundary to the west, the utility corridor to the north, the Urban boundary and MEV Secondary Plan lands to the east and the property known municipally as 6321 Bell School Line to the south. Throughout this report these lands are referred to as the MEV ROPA lands, they are approximately 80 hectares in size and are shown in Attachment #2 to this report.

- ***Submitted Application***

The application submitted by the Town of Milton proposed to permit non agricultural uses on lands designated as Prime Agricultural Lands within the Region's Official Plan and partially located within the Greenbelt Natural Heritage System. These uses included stormwater management infrastructure and uses to support infrastructure or in relation to the research and education functions of the university within the Greenbelt Protected Countryside, Greenbelt Natural Heritage System and prime agricultural areas. Initial proposed permitted uses included educational programming, research, recreation, and outdoor classrooms/gathering and indigenous place making (including lodging facilities etc.).

A number of studies and materials were provided by the applicant in November 2020 in support of the application. These include, among other things, a draft Regional Official Plan Amendment and a Planning Justification Report. In response to comments from Regional staff through the review of the application, additional information was provided, including an Agricultural Impact Assessment, a Stormwater Management Design Brief and a Supplementary Information package in October 2021 as well as a planning rationale package in May 2022. Details of how this information informed Regional staff's assessment of the application is provided later in this report. The current concept for the proposed facility is shown on Attachment #4 to this report and is subject to refinement as technical work will be finalized through the local planning process.

- ***Relationship to the Milton Education Village Secondary Plan, Minister's Zoning Order and ROPA 49***

The MEV Secondary Plan lands were added to the Urban Area through the Sustainable Halton process and ROPA 38 adopted by Regional Council in 2009 and approved by the Ontario Municipal Board in October of 2013. The Secondary Plan establishes a vision for a complete community and mixed-use innovation district anchored by post-secondary education uses.

In June of 2021 a Minister's Zoning Order (MZO) was issued for the lands by the Province permitting as-of-right development permissions to implement uses which are consistent with the Town's Secondary Plan. Through Halton's Regional Urban Structure (ROPA 48), approved by the province in November 2021, the remaining lands that formed a part of the Region's Employment Area Overlay were removed to implement the Secondary Plan vision. Attachment #2 to this report depicts both the current employment boundaries as approved by ROPA 48 as well as the boundaries

of the MZO lands. This ROPA represents another step forward in achieving the ultimate vision for the MEV lands.

- ***Relationship to Future Local Planning Applications***

The ROPA application is required to identify the range of permitted uses not otherwise permitted in the Regional Official Plan. Wilfrid Laurier has participated in a pre-consultation process for a subdivision application for the development of the campus lands as well as the Greenbelt lands. In addition to the ROPA application, to enable the development of the stormwater management research facility outside of the Urban Area, local planning applications are also required. Town staff have indicated to the Region that they intend to implement the development of these lands through the draft plan of subdivision process.

Public Consultation

A statutory meeting of Regional Council was held on February 9, 2022, and information and materials related to the application posted online at **halton.ca**. A summary of the comments received on the application and Regional staff's responses to these comments is discussed later in this report.

Discussion

This section of the report provides an overview of ROPA 51, outlines the planning context for the subject lands and identifies the various designations which apply to the lands. It details Regional staff's analysis of the application as it relates to the applicable Provincial and Regional planning policies noting there are many overlapping policies within the Provincial Policy Statement, Greenbelt Plan and Regional Official Plan. Finally, it summarizes the public and agency feedback received on the application and how this informed the recommendation that Regional Council adopt ROPA 51.

ROPA 51

The Region recognizes the importance and value of the Milton Education Village and its institutional anchors of Wilfrid Laurier University and Conestoga College in supporting the vision of the Town of Milton in developing a complete and thriving community developed around these institutions and how this amendment contributes to realizing that vision. The unique location of these institutions in relation to the natural heritage features located beyond the settlement area boundary and that there is an opportunity to develop and implement specific research activities related to stormwater management in a manner that is isolated from any other material urban developments. The effectiveness of this research is dependent upon having sufficient stormwater flow inputs and close access to natural heritage features for discharge of flow outputs. Further, that proximity to research and laboratory facilities is necessary for robust examination, and that consideration of this amendment provides a unique opportunity to address all of these requirements. ROPA 51 must also conform with the Provincial policy framework which exists for the subject lands.

Regional staff have proposed modifications to the draft amendment submitted by the Town of Milton. Instead of amendments to the policies of the Region's Agricultural and Natural Heritage Systems, ROPA 51 creates a special policy area within the Regional Official Plan to address the goals and objectives provided by the Town in their application. The policy is referred to as the Milton Education Village Complimentary Greenbelt Lands Policy Area. In addition to the existing uses permitted within the Regional Official Plan, the policies contained within this special policy area permit the following:

- stormwater management facilities, subject to specific criteria;
- uses associated with stormwater management facilities are necessary to support their installation, access, operation and maintenance – only in certain locations; and,
- non-intensive uses related to scientific study and research that are directly related to post secondary institutions within the MEV.

The special policy area responds to the feedback and comments received through the Region's review and requires the additional permitted uses to be in accordance with the applicable policies of the Regional Plan, Greenbelt Plan, Local Official Plan, Zoning By-laws and any applicable Conservation Authority regulatory requirements.

The special policy area also identifies the specific studies and impact assessments required prior to development or site alteration occurring within the limits of the special policy area and include an Agricultural Impact Assessment, Environmental Impact Assessment and Stormwater Management Plan. The special policy area carries forward the specific criteria of the Greenbelt Plan with respect to disturbed area, impervious surfaces and natural self sustaining vegetation in addition to applicable objectives and targets and other requirements related to infrastructure identified in the Growth Plan and Greenbelt Plan.

Policy Analysis

Provincial Policy Statement 2020

The Provincial Policy Statement ("PPS") provides policy direction on matters of provincial interest including Infrastructure (Section 1.6), Natural Heritage (Section 2.1) and Agriculture (Section 2.3).

The PPS states that infrastructure and public service facilities shall be provided in an efficient manner that prepares for the impacts of a changing climate while accommodating projected needs and directs planning authorities to promote green infrastructure to complement infrastructure. With respect to natural heritage the PPS states that natural features and areas shall be protected for the long term and does not permit development or site alteration within significant features unless it can be demonstrated that there will be no negative impacts on natural features and their ecological functions. A portion of the lands are designated as prime agricultural areas in the Provincial mapping of the agricultural land base and regarding Agriculture, the PPS states that prime agricultural areas shall be protected for long-term use for agriculture and provides criteria for considering non agricultural uses within prime agricultural areas.

In relation to these matters, the policies of the Greenbelt Plan, the Growth Plan and the Regional Plan largely reflect the direction provided within the PPS and are discussed in detail below. It is Regional staff's opinion that ROPA 51 is consistent with the policies and direction provided within the PPS 2020.

The Growth Plan

Section 3.2 of the Growth Plan provides policies for infrastructure to support growth and among other things includes direction that municipalities will assess infrastructure risks and vulnerabilities, including those caused by the impacts of a changing climate, and identify actions and investments to address these challenges, which could be identified as part of municipal asset management planning. It also provides specific criteria related to Stormwater Management which requires municipalities to develop master plans or their equivalent for services settlement areas.

In Halton Region, local municipalities are primarily responsible for stormwater management planning. However, ROPA 51 requires the submission of a stormwater management plan that addresses the applicable policies, targets and objectives of the Growth Plan in addition to other specific locational, planning and design criteria.

Greenbelt Plan 2017

The subject lands are within the Greenbelt protected Countryside and the Greenbelt Natural Heritage System, they contain key natural and key hydrologic features associated with, among other things, wetlands, watercourses and woodlands.

The most relevant policies of the Greenbelt Plan are the specific policies and objectives that guide how proposals for infrastructure in the Protected Countryside should be assessed. The General Infrastructure policies of Section 4.2.1 identify specific objectives to be met to permit infrastructure within the protected countryside. Once these threshold policies have been addressed, Section 4.2.1.2 provides specific criteria to be addressed for any permitted infrastructure. Notwithstanding the general infrastructure policies, Section 4.2.3 of the Greenbelt Plan provides more specific policies related to Stormwater Management. Additionally, the plan contains policies for Prime Agricultural Areas in Section 3.1.3 and applicable Natural Heritage System policies in Section 3.2.2.

General Infrastructure Policies, Key Objectives

Through policy 4.2.1.1, the Greenbelt Plan requires that for lands falling within the Protected Countryside all existing, expanded or new infrastructure must meet one of the following two objectives:

- a) It supports agriculture, recreation and tourism, Towns/Villages and Hamlets, resource use or the rural economic activity that exists and is permitted within the Greenbelt; or***

b) It serves the significant growth and economic development expected in southern Ontario beyond the Greenbelt by providing for the appropriate infrastructure connections among urban centres and between these centres and Ontario's borders.

Documentation provided in support of the proposal within the Greenbelt lands is included as Attachment #5 to this report and summarized below. It suggests the stormwater management research facility proposed addresses criteria (b) while also providing considerable benefits in relation to criteria (a) as it provides a unique opportunity to contribute to the future of stormwater management in Ontario because:

- the proposed green infrastructure project and research program will provide a much needed understanding and new best practices for storm water management facilities to support a wide range of uses permitted within the Greenbelt, including the urban uses found within Towns/ Villages and Hamlets as well as large scale agricultural and rural tourism uses contained within the Greenbelt.
- the research programs associated with this facility are expected to provide economic and growth management benefits that will serve Halton and southern Ontario and also have applicability globally by producing research to better plan for urban infrastructure.
- the research will include minimizing and managing impacts on natural heritage resources as well as exploring efficient and effective designs for storm water management ponds.
- in addition to examining and implementing future technologies for stormwater management to address the significant growth facing Ontario, these technologies can be used to address the stormwater needs of large scale agricultural uses and other rural uses such as golf courses and rural industrial uses found within Halton Region and the Greenbelt; and,
- the facility will provide educational tourism as well as passive recreational opportunities as well as broad economic and growth management benefits within the Greenbelt and beyond.

Policies Applicable to Permitted Infrastructure & Stormwater Management:

Policy 4.2.1.2 of the Greenbelt Plan requires that the location and construction of infrastructure and expansion, extensions, operations and maintenance of infrastructure in the Protected Countryside address the following criteria. The criteria require that:

- a) through planning, design and construction, the minimization of the amount of Greenbelt, Natural Heritage and Water Resource Systems traversed or occupied by the proposed infrastructure;**
- b) through planning, design and construction, the minimization wherever possible of negative impacts on and the disturbance of the existing landscape;**

- c) the co-ordination and optimization of existing capacity and different infrastructure where possible and practical so that the rural and existing character of the protected countryside and the overall hierarchy of areas where growth will be accommodated in the GGH established by the Greenbelt Plan and the Growth Plan are supported and reinforced;**
- d) criteria related to the avoidance of key features;**
- e) criteria related to minimization of negative impacts on key features;**
- f) the avoidance on specialty crop areas and other prime agricultural areas in order of priority unless it has been established that there is no reasonable alternative;**
- g) the submission of an agricultural impact assessment or equivalent analysis for infrastructure crossing prime agricultural areas; and,**
- h) criteria related to new waste disposal sites which are not applicable.**

Reports in support of the proposal including a Planning Justification Report; Stormwater Management Design Brief as well as concepts and plans have been submitted addressing the location, design and construction of the facility. Finalization of this technical and design work is ongoing and will occur through the local planning process. Together Wilfrid Laurier and the Town of Milton are exploring opportunities for co-ordinating the research and design functions of the facility to optimize the flows and water requirements and some of the infrastructure has also been incorporated with the stormwater management pond currently serving the Mattamy National Cycling Centre, as shown on Attachment #4 to this report.

ROPA 51 incorporates the policies of Section 4.2.3 of the Greenbelt Plan prohibiting stormwater management facilities within key natural heritage or key hydrologic features and their associated vegetative protection zones and also requires environmental studies to assess impacts to the natural heritage system. There is no waste disposal site included with the proposal and concerning agriculture, an Agricultural Impact Assessment, has been submitted in support of the application and is discussed in detail later in this report. In this regard, all of these criteria have been addressed by the Amendment.

In addition to the prohibitions noted above, Section 4.2.3 of the Greenbelt Plan contains policies addressing the requirement for the planning, design, construction and assessment of stormwater management facilities to be done in accordance with the applicable policies of the Growth Plan.

Prime Agricultural Area Policies

The Greenbelt Plan policy framework with respect to prime agricultural lands, only permits non-agricultural uses subject to the infrastructure policies (discussed above) and lot

creation policies within the Greenbelt Plan and must be supported by an agricultural impact assessment. The Greenbelt Plan further requires that where avoidance is not possible, the minimization and mitigation of adverse impacts on the Agricultural System, and compliance with minimum distance separation formulae for non-farm uses. As the Regional Official Plan also provides consistent and more specific direction in this regard, analysis related to prime agricultural lands and applicable policies is provided under the Regional Official Plan section of this report.

Natural Heritage System Policies

The Greenbelt Plan's natural heritage framework, only permits development or site alteration in the natural heritage system subject to specific criteria contained in Section 3.2.2(3). These include the requirement for new development and site alteration to demonstrate:

- that there will be no negative impacts on key natural heritage features or key hydrologic features and their functions;
- that connectivity along the system and between key features will be maintained and enhanced;
- the removal of features not identified as key features should be avoided and incorporated into planning and design where possible;
- that the disturbed area of the total developable area will not exceed 25 per cent;
- that the impervious surface of the total developable area will not exceed 10 percent; and,
- that 30 percent of the total developable area will remain or be returned to natural self sustaining vegetation.

The detailed analysis of the MEV ROPA lands is planned to occur through a future Subwatershed Impact Study (SIS) which is currently underway. It will be important that the study contains the requisite information for staff to assess the proposed uses and development for conformity with the policies of the Greenbelt Plan. These studies are subject to scoping and Terms of Reference accepted by the Town of Milton, Region of Halton and Conservation Authority.

Greenbelt Plan Summary

The policies in ROPA 51 have been prepared in accordance with the applicable policies of the Greenbelt Plan. In this regard, Regional staff are of the opinion that the justification provided in support of the proposal meets the general infrastructure objectives of the Greenbelt Plan by providing a functional research facility that will serve the significant growth and economic development expected in southern Ontario beyond the Greenbelt through the contributions to stormwater management that it provides, while also serving the educational tourism and passive recreational opportunities created by the facility.

ROPA 51 carries forward the prohibitions for development and impacts on key natural and hydrologic features contained in the Greenbelt Plan and demonstration of conformity

to the policies of the Greenbelt Plan to assess the impacts and appropriateness of uses and development through the submission of various studies including Agricultural Impact Assessments, Environmental Impact Assessments and Stormwater Management Plans are required. Regional staff are satisfied that the policies contained in ROPA 51 conform to the Policies of the Greenbelt Plan.

Regional Official Plan

The Regional Official Plan identifies the subject lands within the Agricultural Area, and Regional Natural Heritage System designations and within the Greenbelt Natural Heritage System Overlay on Map 1 – Regional Structure. Portions of the subject lands are also identified as Prime Agricultural Areas within the Region's Agricultural System shown on Map 1E. The relevant policies of the Regional Official Plan ("ROP") are discussed below.

Agricultural Policies:

Portions of the subject lands are designated Agricultural Area in the ROP. The lands are further identified as being within the Prime Agricultural Area (areas where prime agricultural lands predominate) as they are made up of Class 1, 2 and 3 soils.

Sections 91 and 139.9,1 state that the goals of the Agricultural System and Prime Agricultural Areas is to maintain a permanently secure, economically viable agricultural industry and to preserve the open-space character and landscape of Halton's non-urbanized areas. To this end, the Regional plan requires the proponent of any non-farm land use that is permitted by specific policies of this Plan but has a potential impact on adjacent agricultural operations to carry out an Agricultural Impact Assessment based on guidelines adopted by Regional Council. The Region's Agricultural Impact Assessment Guidelines require that all applicable provincial directives and policies including the PPS, Greenbelt Plan and Growth Plan be addressed as part of the submitted study.

In this regard, some of the main items to be addressed in the AIA include the demonstration that:

- the land does not comprise a specialty crop area;
- the proposed use complies with the minimum distance separation (MDS) formulae;
- there is an identified need within the planning horizon for additional land to accommodate the proposed use;
- alternative locations have been evaluated, for which there are no reasonable alternative locations which avoid prime agricultural areas; and there are no reasonable alternative locations in prime agricultural areas with lower priority agricultural lands; and,
- impacts from any new or expanding non-agricultural uses on surrounding agricultural operations and lands are to be mitigated to the extent feasible.

The submitted Agricultural Impact Assessment (AIA) (October 2021) provided in support of the proposal was reviewed by Regional staff and also assessed by an independent

Peer review consultant hired by the Region. The peer review identified some deficiencies in the report related to the criteria noted above, however, provided key findings which assisted staff in the review and policy creation associated with this amendment.

In particular, the peer review concluded that the AIA is comprehensive and uses appropriate data sources, but any consideration of lodging facilities triggers the need for a specific Minimum Distance Separation formulae analysis and further analysis reflecting the full range of uses contemplated by the applicants is required. On concept plans, components of the campus associated with the potential for lodging facilities have been relocated to the main campus within the Urban Area, and will not be included as a permitted use within ROPA 51.

While the peer review concludes that additional analysis is required to address the evaluation of alternatives and mitigation related to the stormwater management infrastructure, ROPA 51 contains policies that require mitigation and alternatives being provided through updated reports and planning applications. ROPA 51 also requires all proposed uses to demonstrate consistency with all applicable provincial and Regional policy prior to development being permitted. Accordingly, prior to approval of the local development applications, there will be a requirement to update the submitted reports to address the deficiencies and make any additional adjustments to the concept to ensure the above noted policies are adequately addressed.

Natural Heritage System Policies

The Regional Official Plan contains policies that support a systems-based approach to natural heritage and prohibit or restrict development and site alteration within the Regional Natural Heritage System and only permits alteration of any components of the Regional Natural Heritage System if it has been demonstrated that there will be no negative impacts on the features or their ecological functions. In this regard, proponents of development or site alteration within the Natural Heritage System are required to submit an Environmental Impact Assessment.

The Regional Official Plan also contains direction related to infrastructure within the Regional Natural Heritage System. Only 'essential' transportation and utility facilities are permitted and the ROP defines essential as "that which is deemed necessary to the public interest after all alternatives have been considered and it has been demonstrated that there will be no negative impacts to the natural features and areas or their functions".

Two key documents were submitted in May 2022 in this regard, a planning brief provided by Ruth Victor and Associates and a professional analysis related to the stormwater management concept by Crozier and Associates Inc. and are included as Attachment #5 to this report. These submissions identify, among other things, that the proximity of the lands to natural heritage features within the Greenbelt lands is critical for the success of the research program as the location provides an opportunity for research activities on the effects of urban development and associated stormwater practices in a location somewhat isolated from other direct urban influences. They conclude that the research

program requires a location with this combination of natural heritage and open space resources while being proximate to the urban area to achieve the required base flow levels to supply the pond and therefore meets the definition of essential and is appropriate for the Region to identify this research stormwater management facility as a permitted use on a site specific basis.

The Regional plan permits non-intensive recreational uses within the natural heritage system subject to the demonstration of no negative impacts only if they are on publically owned lands or on the Bruce Trail. Natural heritage considerations are discussed in detail elsewhere in this report, and in addition to the policies identified above, ROPA 51 permits non intensive uses related to scientific study, education and research, that are directly related to a post secondary institution in the Milton Education Village. As mentioned elsewhere, detailed analysis of the MEV ROPA lands is planned to occur through a future Subwatershed Impact Study (SIS) which is currently underway. ROPA 51 requires that the applicable policies of the Regional plan with respect to natural heritage are addressed through the submission of an appropriate study that confirms no negative impacts on key features and their ecological functions, addresses connectivity and all other applicable policies of the Greenbelt and Regional Natural Heritage System.

Regional Official Plan Summary

The policies contained in the Milton Education Complimentary Greenbelt Lands Policy Area (ROPA 51), appropriately respond to the Region's Official Plan. They maintain the goals, objectives and requirements of the Regional Official Plan by requiring proponents of development within the special policy area to assess, justify and address impacts associated with new uses and development through the submission of studies related to agricultural impacts and natural heritage matters. The policies require appropriate revisions and refinements to any proposals in accordance with requirements of the studies and ensure that all other applicable policies of the ROP are addressed. Staff are satisfied ROPA 51 conforms to the Regional Official Plan.

Additional Considerations

Through the future local planning applications required for the lands, the requisite information will be sought to review and evaluate the proposal in accordance with provincial and Regional requirements. For example, studies to evaluate and address impacts related to agriculture, natural heritage and stormwater management are specified in ROPA 51 and standard study and submission requirements will be applied to the local planning process. These may include requirements to address items including but not limited to transportation impacts, archaeological investigations, potential for contamination on the lands, waste management and private servicing.

The Region has worked closely with the Town of Milton and Conservation Halton staff to develop and refine the policies contained in ROPA 51 and their comments in support of the amendment have been included in Attachment #3 to this report. Regional staff have also consulted and met with Provincial staff throughout the review process. Written

comments were not provided by the Province, however, through verbal discussions Provincial staff reiterated the need for conformity with Provincial policy and objectives. Regional staff have structured ROPA 51 to respect the applicable provincial planning documents and are of the opinion that it fully conforms to all applicable provincial policies and legislation.

Public Input

Halton Region has received a limited number of comments from members of the public regarding the proposed additional land use permissions within the Regional Official Plan. These comments, along with responses from Regional staff as to how they have informed a recommendation on the application are provided in Attachment #3 to this report.

Most comments which have been raised by individuals living close to the subject lands include the potential impacts to private well services as well as for information regarding the future applications and planning process for the lands. To address the concerns related to well impacts the Region will implement its standard requirements through the future local development applications which will require studies to assess the hydrogeological and well impacts associated with the proposal and the requirement for the proponent to address claims for well interruption caused by site grading, road and building construction and submit well surveys and monitoring reports to the Region for review on the expected area of influence.

Conclusion

The Town of Milton in support of Wilfrid Laurier University have applied to amend the Regional Official Plan to allow for research and functional stormwater management and green infrastructure uses outside of the urban area. This proposal represents a unique opportunity to support the vision for the Milton Education Village by providing a centre for research and urban watershed management which will allow for the development and implementation of research activities regarding the effects of urban development and associated stormwater management practices on the natural environment and ultimately contribute to the future of stormwater management in Ontario.

The policies contained in ROPA 51 allow for the development, planning, design and assessment of impacts of such a facility to move forward. It requires that local planning applications comply with all applicable provincial and regional policy and be approved by the Town of Milton.

The statutory public meeting for this proposal has been held at the Region of Halton and will be required for the local applications that are submitted to Town of Milton. The applicant provided a number of studies, policy documents and justification in support of the Regional Official Plan Amendment. In Regional staff's opinion, ROPA 51 is consistent with the Growth Plan and the Provincial Policy Statement and conforms to the Greenbelt Plan. Regional staff recommend approval of ROPA 51 and will continue to work with the

Town and Wilfrid Laurier University providing detailed input during the local planning applications and any required permit approvals processes.

Once a notice of decision is issued the ROPA may be subject to appeal to the Ontario Land Tribunal.

FINANCIAL/PROGRAM IMPLICATIONS

The cost of reviewing the Regional Official Plan amendment is funded from the Planning Services Operational Budget.

Respectfully submitted,



Curt Benson
Director, Planning Services and Chief
Planning Official



Bob Gray
Commissioner, Legislative and Planning
Services and Corporate Counsel

Approved by



Jane MacCaskill
Chief Administrative Officer

If you have any questions on the content of this report,
please contact:

Curt Benson

Tel. # 7181

Attachments: Attachment #1 – ROPA 51
Attachment #2 – MEV Context Map
Attachment #3 – Comment Response Document
Attachment #4 – Current Wilfrid Laurier Concept
Attachment #5 – Planning & Scientific Research Explanation Submission

Amendment No. 51
to THE REGIONAL PLAN
Official Plan for the Halton Planning Area
Regional Municipality of Halton

Milton Education Village
Complementary Greenbelt Lands
Policy Area

June 2022

DECLARATION

IN THE MATTER OF REGIONAL OFFICIAL PLAN AMENDMENT NUMBER 51

IN THE REGIONAL MUNICIPALITY OF HALTON

I, Graham Milne, in my capacity as Regional Clerk for the Regional Municipality of Halton, hereby declare that notice of adoption by Council for the Regional Municipality of Halton was given under Section 17 of the *Planning Act*, R.S.O., 1990, c.P.13.

There were no appeals to ROPA 51 within the time allowed for appeal. Under Section 17(27) of the *Planning Act*, R.S.O. 1990, c.P.13, Regional Official Plan Amendment Number 51 came into force and effect on _____, 2022, being the day following the last day for filing a notice of appeal.

Graham Milne

Regional Clerk
Regional Municipality of Halton

Date

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THE CONSTITUTIONAL STATEMENT

Part A, The Preamble, does not constitute part of this Amendment.

Part B, The Amendment, consisting of 6 items, constitutes Amendment No. 51 to the Regional Plan, the Official Plan for Halton Planning Area, Regional Municipality of Halton. The title of Amendment No. 51 is "Milton Education Village Complimentary Greenbelt Lands Policy Area".

Part C, The Appendices, does not constitute part of this Amendment.

PART A THE PREAMBLE

Purpose

The purpose of this Amendment is to facilitate development of the Milton Education Village (“MEV”) lands as a complete, mixed-use and integrated community and ‘innovation district’ anchored by a post-secondary education campus.

Location

The amendment applies to the MEV lands and the Protected Countryside lands in the Greenbelt, and is shown in Figure 1 on the following page and is referred to as the “The Amendment Area”. It contains the lands bounded by:

- i) North – the Union Gas pipeline corridor, approximately 600 m
- ii) East – The Milton Education Village Secondary Plan and Urban Boundary
- iii) South – the northern boundary of the property known as 6321 Bell School Line
- iv) West – Bell School Line

Basis

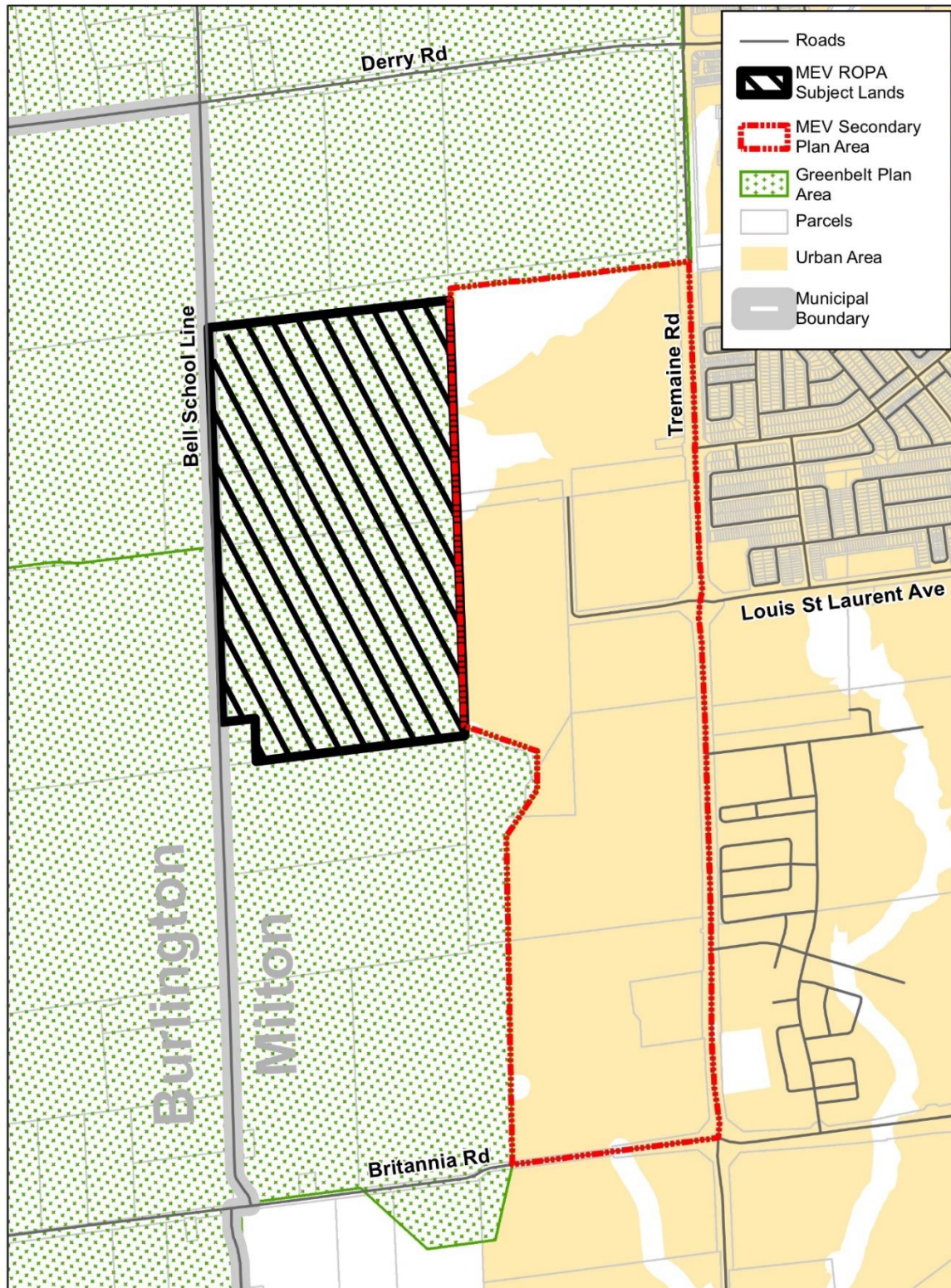
The Region of Halton Official Plan provides for Urban Areas that are planned to accommodate the distribution of population and employment in the Region and the four Local Municipalities. Within the Urban Area, the Regional Plan also provides for an Employment Area overlay that sets out policies and permitted uses.

The MEV includes lands within the Region’s Urban Area and two portions within the Employment Area overlay. The MEV is the proposed site for a new post-secondary education campus.

The Town of Milton recognizes the unique opportunity for the development of the MEV lands as a complete mixed-use community and ‘innovation district’ anchored by the post-secondary education campus. The ‘innovation district’ will provide economic opportunities for knowledge-based employment focused on science, technology, engineering, arts and mathematics (STEAM). The intent is to accommodate more employment in a higher density, compact urban form rather than lower density land extensive industrial and warehousing uses.

Approximately two thirds of the proposed post-secondary education campus are designated Greenbelt Natural Heritage System, within lands designated Protected Countryside in the Greenbelt Plan. Being at the intersection of the urban area and the natural environment, there is a clear opportunity to develop a “living lab” approach to on-site teaching and research, and supporting social, economic and cultural well-being of all communities.

Figure 1: The Amendment Area



The Region of Halton Official Plan states that the objectives for the Natural Heritage System including the Greenbelt Natural Heritage System are, among other things, to “provide opportunities for scientific study, education and appropriate recreation” and “to provide opportunities, where appropriate, for passive outdoor recreational activities”.

Green infrastructure, including but not limited to stormwater management systems, and a broad range of activities related to the use of renewable resources, including education programming, are permitted within lands designated Protected Countryside in the Greenbelt Plan. Stormwater management facilities including stormwater management best practices within the Greenbelt lands adjacent to the MEV will serve the surrounding public and private urban areas such as the MEV, public roads, and the Mattamy National Cycling Centre lands. The function of the stormwater management facilities within the Greenbelt lands adjacent to the MEV will serve the surrounding urban area, to provide opportunities for academic research, and support the recommended strategies of the Bronte Creek Watershed Plan. As such, the stormwater management facilities will serve the public interest. By enabling consideration of educational programming and green infrastructure projects, including stormwater management systems on these lands, subject to appropriate policy checks and balances, the ROPA will support and complement the optimal use of the MEV lands. Flexibility to consider innovative and creative stormwater management systems in the Protected Countryside will also serve provincial, regional and local interests, and support optimal use of the MEV lands, including the efficient delivery of the post-secondary education campus.

PART B THE AMENDMENT

Introductory Statement

All of this part constitutes Amendment No. 51 to the Regional Plan, the Official Plan for Halton Planning Area, Regional Municipality of Halton.

Details of the Amendment

The Amendment consists of 7 items.

The Regional Plan is amended as follows:

- Items 1 through 5 (changes to text and tables)

Specified sections of the Plan are amended as per Table A of this Amendment.

- Item 6 (changes to and addition of maps)

Specified maps of the Plan are amended as per Table A of this Amendment and as shown on Attachment #1.

Table A

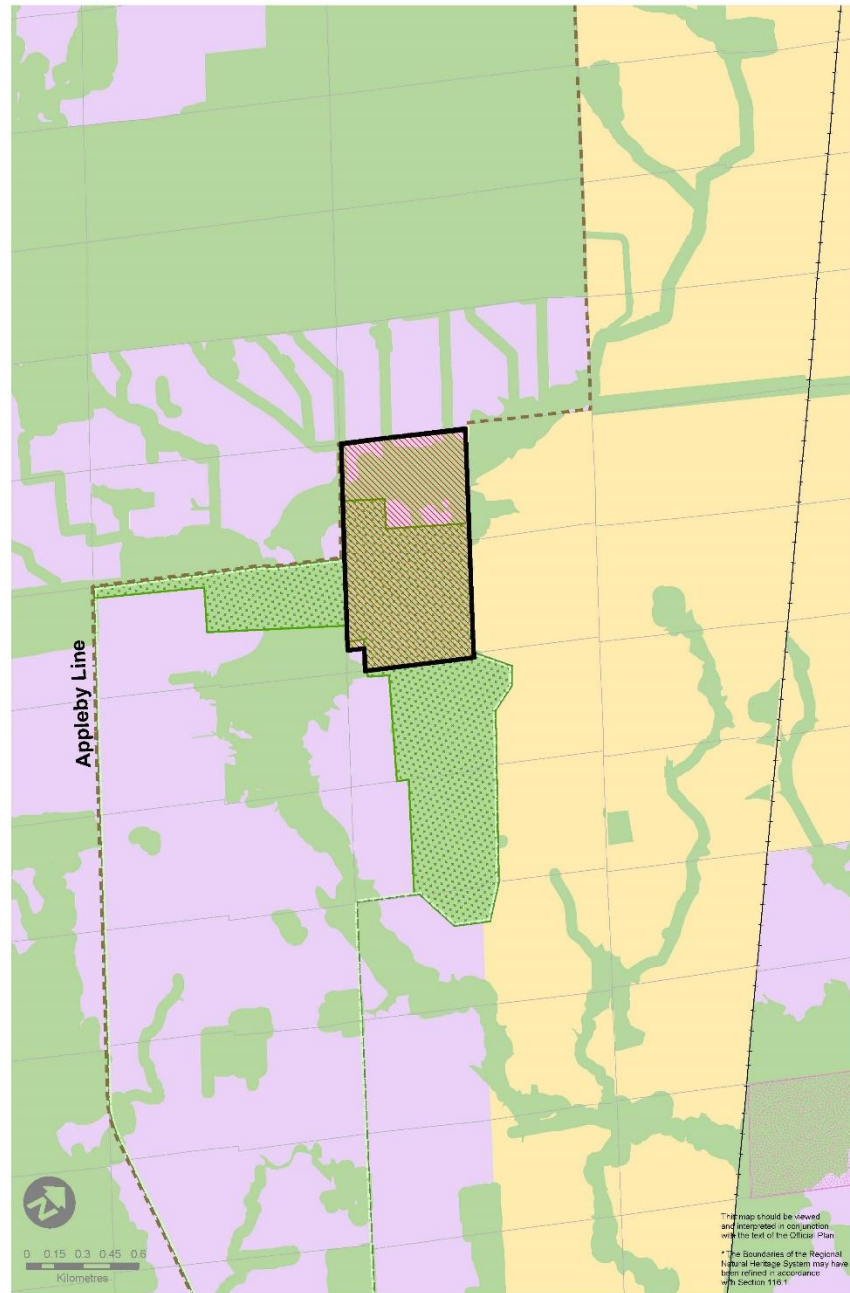
| Item | Section Number | Details of the Amendment |
|------|----------------|---|
| 1 | Section Title | <p>A new Section Title is added before Section 139.1 that reads as follows:</p> <p>“Milton Education Village Complementary Greenbelt Lands Policy Area”</p> |
| 2 | 139.1 | <p>A new Section 139.1 is added to read as follows:</p> <p>“The purpose of the Milton Education Village Complementary Greenbelt Lands Policy Area, as shown on Map 1, is to recognize the important role of the lands within the Greenbelt Plan Protected Countryside located west of the Milton Education Village in supporting the Milton Education Village lands as a complete, mixed-use and integrated community anchored by post-secondary education.”</p> |
| 3 | 139.2 | <p>A new Section 139.2 is added to read as follows:</p> <p>“The <i>objectives</i> of the Milton Education Village Complementary Greenbelt Lands Policy Area are:</p> <ol style="list-style-type: none"> (1) To recognize the unique role of the Milton Education Village Complementary Greenbelt Lands in relation to the Milton Education Village and the strategic opportunities for integrated research and scientific study. (2) To support <i>development</i> within the Milton Education Village Complementary Greenbelt Lands that complements the vision for the Milton Education Village and opportunities for integrated research and scientific study in a manner that protects and enhances the <i>natural environment</i> and rural countryside. (3) To permit stormwater management <i>infrastructure</i> that is essential and in the public interest and that is required for and will contribute to the growth and economic development expected within the Milton Education Village adjacent to the Greenbelt Plan area.” |
| 4 | 139.2.1 | <p>A new Section 139.2.1 is added to read as follows:</p> <p>“Subject to other policies of this Plan, applicable policies of the Greenbelt Plan, applicable Local Official Plan policies and Zoning By-laws, and applicable Conservation Authority regulatory requirements, the following additional uses may be permitted on the Milton Education Village Complementary Greenbelt Lands:</p> <ol style="list-style-type: none"> (1) stormwater management facilities, provided that: <ol style="list-style-type: none"> a) such uses meet the applicable Greenbelt Plan objectives and policies for infrastructure within the Protected Countryside; b) such uses are essential, meaning that they are deemed necessary to the public interest after all alternatives have been considered; c) they are located outside of Key Features, buffers, and vegetation protection zones; d) they avoid prime agricultural areas, unless need has been |

| Item | Section Number | Details of the Amendment |
|------|----------------|--|
| | | <p>demonstrated and it has been established that there is no reasonable alternative;</p> <ul style="list-style-type: none"> e) they represent green infrastructure, providing ecological and hydrological functions and processes that support the Natural Heritage System; f) they are developed and operated as a research facility that supports the Milton Education Village and the scientific research and study undertaken at its post-secondary institutions related to watersheds, water quality and quantity, and management practices; and g) they address the detailed requirements and studies identified in Section 139.2.2 of this Plan. <p>(2) uses directly associated with a stormwater management facility and necessary to support the installation, access, operation, and maintenance of the facility, provided they are located outside of Key Features, buffers, and vegetation protection zones, with the exception of those components of the facility that are essential for conveying stormwater to the receiving Key Feature;</p> <p>(3) non-intensive uses related to scientific study, education, and research, that are directly related to a post-secondary institution in the Milton Education Village."</p> |
| 5 | 139.2.2 | <p>A new Section 139.2.2 is added to read as follows:</p> <p>"Subject to other policies of this Plan, prior to development or site alteration on the Milton Education Village Complementary Greenbelt Lands related to the permitted uses identified in Section 139.2.1 of this Plan, the following studies must be completed:</p> <ul style="list-style-type: none"> (1) an Agricultural Impact Assessment, based on guidelines adopted by Regional Council, that demonstrates: <ul style="list-style-type: none"> a) there is an identified need to use additional land for the proposed use and it is demonstrated that there are no reasonable alternatives that avoid prime agricultural areas or locations in prime agricultural areas within lower priority agricultural lands; b) where adverse impacts on the Agricultural System are unavoidable, there are measures that will be implemented to minimize or mitigate the impacts to the extent feasible; c) the proposed use complies with the Minimum Distance Separation formulae; and d) all other applicable Regional policies and requirements related to the Agricultural System are met. (2) an Environmental Impact Assessment, based on guidelines adopted by Regional Council, or an equivalent study based on terms of reference accepted by the Region, that demonstrates: <ul style="list-style-type: none"> a) there are no negative impacts on Key Features or their ecological functions; |

| Item | Section Number | Details of the Amendment |
|------|----------------|--|
| | | <ul style="list-style-type: none"> b) connectivity across the Natural Heritage System and between Key Features and other natural heritage features and areas is maintained or, where possible, enhanced; c) new <i>development</i> and <i>site alteration</i> in the Greenbelt Natural Heritage System will occur in accordance with the following: <ul style="list-style-type: none"> [i] the disturbed area will not exceed 25 per cent of the total developable area, being the areas of the Milton Education Village Complementary Greenbelt Lands outside of <i>Key Features</i> and any related <i>vegetation protection zones</i>; [ii] the impervious surface is minimized and will not exceed 10 per cent of the total developable area; and, [iii] natural self-sustaining vegetation is maintained or restored to at least 30 per cent of the total developable area. d) all other applicable Regional policies and requirements related to the Greenbelt and Regional Natural Heritage System are met. (3) a stormwater management plan which demonstrates: <ul style="list-style-type: none"> a) planning, design and construction practices will minimize vegetation removal, grading and soil compaction, sediment erosion and impervious surfaces; b) an integrated treatment approach will be used to minimize stormwater flows and mimic natural hydrology through lot level controls, low impact development and other conveyance techniques; c) applicable recommendations, standards or targets within a subwatershed plan or equivalent and water budgets will be complied with; and d) applicable objectives, targets, and any other requirements within a stormwater master plan will be met in accordance with the policies in subsection 3.2.7 of the Growth Plan and subsection 4.2.3.5 of the Greenbelt Plan. |
| 6 | Map 1 | Map 1 – Regional Structure is revised to add the “Milton Education Village Complementary Greenbelt Lands Policy Area” as an overlay as shown in Attachment #1. |

Attachment #1

Map 1
Regional Structure



Waterfront Park (See Map 2)

Rail Line

Proposed Major Arterial

Major Road

Provincial Freeway

Lot and Concession Line

Municipal Boundary

Urban Area

Hamlet

Agricultural Area

Regional Natural Heritage System *

Mineral Resource Extraction Area

North Aldershot Policy Area

Greenbelt Natural Heritage System (Overlay)

Greenbelt Plan Protected Countryside Boundary

Niagara Escarpment Plan Boundary

Parkway Belt West Plan Boundary

Area Eligible for Urban Servicing

Halton Waste Management Site

Milton Education Village Complimentary

Greenbelt Lands Policy Area

Amendment Area

This map should be viewed
and interpreted in conjunction
with the text of the Official Plan.
*The boundaries of the Regional
Natural Heritage System may have
been refined in accordance
with Section 116.1.

December 14, 2021

PART C THE APPENDICES

The following Appendices do not constitute part of Amendment No. 51, but are included as information supporting the amendment.

Appendix I Notice of Public Meeting

Appendix I Notice of Public Meeting


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NOTICE OF STATUTORY PUBLIC MEETING

Proposed Amendment to the Regional Official Plan
Applicant: Town of Milton | File Number: RQ62A

The Regional Municipality of Halton is holding a Statutory Public Meeting in connection with the Regional Official Plan Amendment application filed by the Town of Milton related to the Milton Education Village and pursuant to Section 22 of the *Planning Act*, as amended.

Purpose and Effect of the Application

The proposed amendment applies to lands located adjacent to the Milton Education Village and within the Greenbelt Plan Protected Countryside. The purpose of the application is to amend the Regional Official Plan to permit, on a site-specific basis, a range of uses including green infrastructure, stormwater management facilities, and activities related to the use of renewable resources. The effect of the Amendment is to facilitate the development of the MEV lands as a complete, mixed-use and integrated community and 'innovation district' anchored by a post-secondary education campus.

Information and material relating to the proposed Amendment, including a copy of the proposed amendment, is now available for public inspection by visiting halton.ca. Halton Region's offices are closed to the public due to COVID-19. Please contact Owen McCabe, Senior Planner at Owen.McCabe@halton.ca or 905-825-6000 ext. 7391, if alternate viewing arrangements are required.

Statutory Public Meeting (Virtual)

When: Wednesday, February 9, 2022 at 9 a.m.

Description: The purpose of the Statutory Public Meeting is to provide the public with the opportunity to provide comments to Council on the proposed Amendment and for Council to consider the feedback prior to adopting the Amendment.

Meeting ID: 981 2047 4495
Passcode: 877190 (if requested)

To join:

- Online: On the date of the event, visit the Council Committee Documents page or the Opportunities to Participate page on halton.ca.
- By phone: Call **1-855-703-8985 (Toll Free)** or **1-647-374-4685** and use the Meeting ID and Passcode above.

How to Participate in the Statutory Public Meeting

Any person may attend the Statutory Public Meeting and make submissions concerning the proposed Amendment. If you wish to make a written or verbal submission at the Statutory Public Meeting, please email regionalclerk@halton.ca and Owen.McCabe@halton.ca by **12 p.m. on Tuesday, February 8, 2022**. Written submissions provided by lettermail can be addressed to:

c/o Regional Clerk Graham Milne
 1151 Bronte Road
 Oakville ON L6M 3L1

Advance registration is strongly encouraged for those who wish to make a verbal presentation during the meeting. To preserve the integrity of the meeting, anonymous or offensive Zoom account names will not be allowed to speak. Halton Region is not responsible for unstable internet connections that may impact your ability to provide your comments. Participants who are disruptive or who speak on a subject other than the stated purpose of the meeting may be removed from the meeting without warning.

All information including names, addresses, opinions, presentations, reports, documentation, etc. provided for or at any public meeting are considered public records. This information may be posted on Halton Region's website and/or made available to the public upon request. The Statutory Public Meeting will be streamed and a video of the meeting will be made available on Halton Region's website.

If you wish to be notified of the decision of Halton Region on the proposed Amendment, you must make a written request to the Regional Clerk.



The Right to File an Appeal

If a person or public body would otherwise have an ability to appeal the decision of the Council of the Regional Municipality of Halton to the Ontario Land Tribunal but the person or public body does not make oral submissions at a public meeting or make written submissions to the Regional Municipality of Halton before the proposed official plan amendment is adopted, the person or public body is not entitled to appeal the decision.

If a person or public body does not make oral submissions at a public meeting or make written submissions to the Regional Municipality of Halton before the proposed official plan amendment is adopted, the person or public body may not be added as a party to the hearing of an appeal before the Ontario Land Tribunal unless, in the opinion of the Tribunal, there are reasonable grounds to add the person or public body as a party.

For further information or to submit comments, please quote the above noted file number and contact: The Regional Municipality of Halton, Planning Services, Policy Planning Division at 905-825-6000 ext. 7391 or dial 311.

Additional Information

For more information about this matter, including information about appeal rights, contact Planning Services by email at Owen.McCabe@halton.ca or call 905-825-6000 ext. 7391. Information and material relating to the proposed Amendment will be available for public inspection by visiting halton.ca.

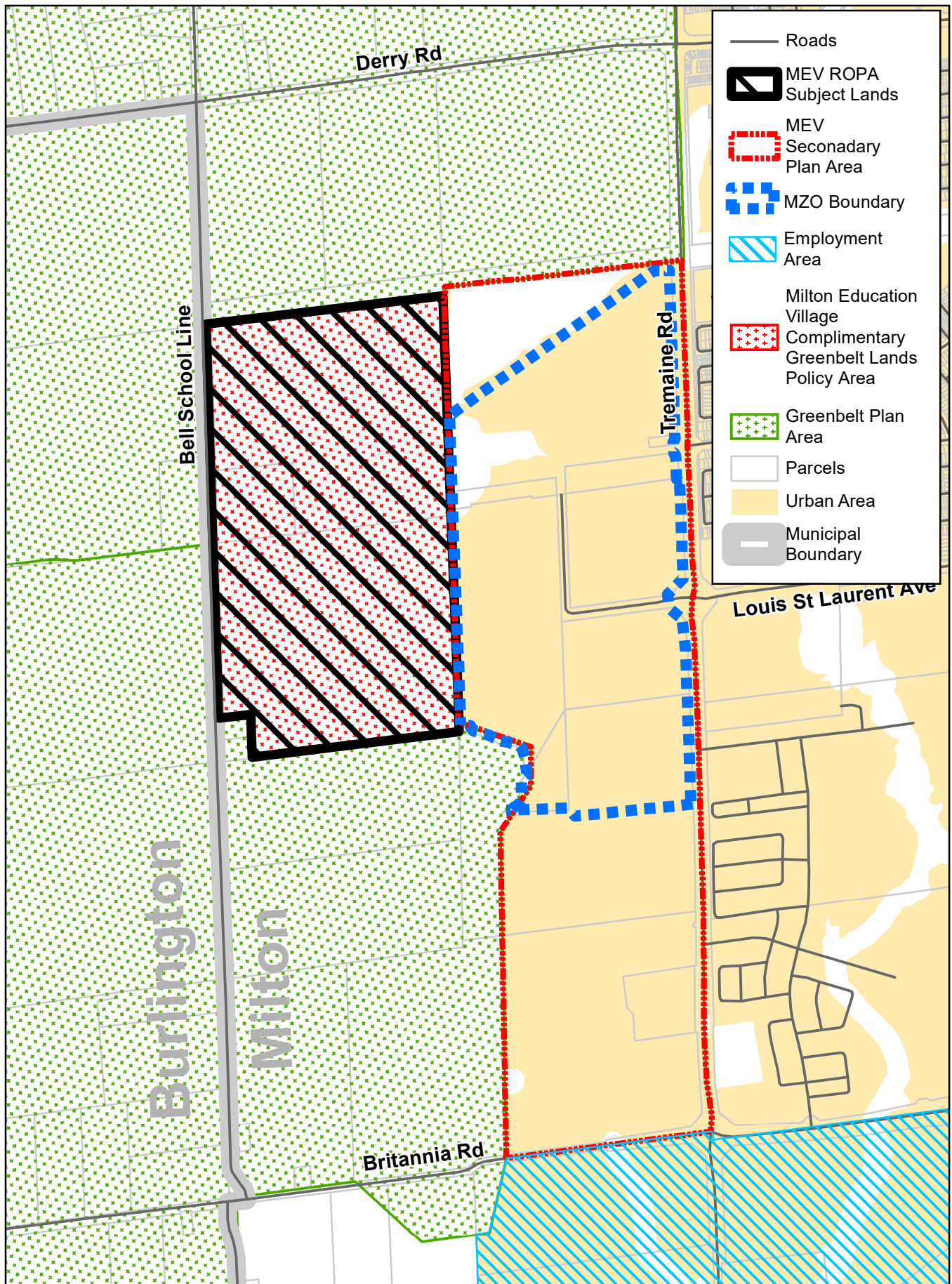
If you require an alternative format or need accessibility-related accommodation to access or comment on the application, please email accesshalton@halton.ca or call 311, 1-866-442-5866 or TTY 905-827-9833.

Meetings at Halton Region

Regional Council meetings are taking place through web conferencing until further notice. Videos will be posted to halton.ca.



Please contact us, as soon as possible, if you have any accessibility needs at Halton Region events or meetings.



ROPA RQ62A – Response Document

Staff Analysis of Comments Received on ROPA Application RQ62A – “MEV” Received January 11, 2021 to May 30, 2022.

Overview

This document provides responses to written submissions received by Halton Region on Regional Official Plan Amendment (ROPA) Application RQ62A from January 11, 2021 to May 30, 2022.

The document is organized into three columns: ‘Source’, ‘Submission’, and ‘Response’.

The submissions are organized chronologically.

Index of Submissions

| No. | Commenter | Date Received | Page |
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| 1. | Conservation Halton | January 11, 2021 | 1 - 2 |
| 2. | Conseil Scolaire Catholique MonAvenir (CSCMA) | January 12, 2021 | 2 |
| 3. | Conseil Scolaire Viamonde (CSV) | January 13, 2021 | 2 - 3 |
| 4. | Halton District School Board | January 22, 2021 | 3 - 7 |
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| 7. | Chris Harley, Milton resident | January 26, 2022 | 23 |
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Submissions & Responses

[illegible]

| No. | Source | Submission | Response | |
|-----|---|--|--|--|
| | | <p>the PSW for this particular site. Permission is required from CH prior to undertaking any development within CH's regulated area and development must meet CH's <i>Policies and Guidelines for the Administration of Ontario Regulation 162/06</i> (https://conservationhalton.ca/policies-and-guidelines). Conservation Authority regulatory requirements are required to be met for any potential development within the Greenbelt Lands in addition to the requirements set out in the ROPA 51.</p> <p>The MEV Subwatershed Impact Study (SIS) is required to assess the impacts of development on the entire MEV site including those land included within the ROPA 51 Subject Lands. As part of the MEV SIS, confirmation of the limits of natural hazards will need to be completed, as well as review of the SWM infrastructure within the Greenbelt lands incorporated into the MEV SIS.</p> <p>Recommendation</p> <p>CH staff appreciates the opportunity to review the Draft ROPA 51: Milton Education Village Complementary Greenbelt Lands Policy Area and are supportive of the approach taken with respect to potential complementary uses within the Greenbelt Land. CH looks forward to continuing to work with the Region of Halton and Town of Milton staff in the development within the MEV area.</p> <p>Should you have any questions or require additional information, please contact me by email at hdearlove@hrca.on.ca.</p> <p>Sincerely,</p> <p>Heather Dearlove, B.Sc. Environmental Planner</p> | <p>Comments noted. Halton Region will continue to work with Conservation Halton and the Town of Milton in the development within the Milton Education Village Innovation District.</p> | |
| 2. | <p>Conseil Scolaire Catholique MonAvenir</p> <p>Email dated January 12, 2021</p> | <p>Hi Matt,</p> <p>No comments from Csc MonAvenir.</p> <p>Thanks</p> <p>Albert M. Aazouz Director of Facilities and Planning</p> | <p>Comments noted.</p> | |
| 3. | <p>Counseil Scolaire Viamonde</p> | <p>Hi Matt,</p> <p>Thanks for the follow up.</p> | <p>Comments noted.</p> | |

| No. | Source | Submission | Response | |
|-----|--|---|----------|--|
| | Email dated January 13, 2021 | <p>The Conseil scolaire Viamonde has no comment regarding the proposed Regional Official Plan Amendment (ROPA).</p> <p>Best regards and have a great day!</p> <p>Kenny Lamizana Planning Officer, Maintenance and Planning Department</p> | | |
| 4. | <p>Halton District School Board</p> <p>Email dated January 22, 2021</p> | <p>Dear Mr. O. McCabe:</p> <p>Subject: Milton Education Village Proposed Amendment to the Halton Region Official Plan ROPA Application RQ62A Town Initiated Official Plan Amendment LOPA-07/20</p> <p>Thank you for the opportunity to comment on the Town of Milton's Education Village Secondary Plan as circulated on January 11, 2021. The Halton District School Board represents English public schools in the four municipalities of Halton. As of October 1, 2020, there are approximately 16,600 students registered in public elementary and public secondary schools in Milton. The Town of Milton's student enrolments has increased by 36% since 2011. It is projected that with the current developments on file it will continue to increase by an additional 20% over the next 10 years.</p> <p>There are seventeen elementary schools and two secondary schools in Milton, with a new elementary school scheduled to open for January 2022, at the earliest (Milton SW #11 ps), a new elementary school to open for September 2022, and a new secondary school (Milton SW #1 hs) scheduled to open in September 2021. The majority of schools have enrolments above their On-The-Ground Capacity (OTG). Moreover, seven elementary schools and both high schools are projected to surpass total capacity within the next 10 years. The Halton District School Board does not build schools for peak enrolments but plans schools for stable long-term enrolments. Therefore, most new schools will require portables on opening day and for the first ten years, in Milton.</p> <p>The school board applies annually to the Ministry of Education (MOE) for capital funding for the construction of new schools as well as additions. Applications are made for new schools or additions to existing</p> | | |

| No. | Source | Submission | Response |
|-----|--------|--|--|
| | | <p>schools within the next four years. Halton DSB has received funding for Milton SW #11 ps, Milton SW #12 ps, and Milton SW #1 hs.</p> <p>As a result of ongoing rapid residential growth in Milton, it provides accommodation challenges to the Halton DSB. The Halton DSB depends on collaboration with the Town of Milton in order to ensure that new schools and additions are planned and built in a timely fashion in order to meet the student accommodation needs.</p> <p>The Halton DSB has participated as a commenting agency in the Secondary and Tertiary planning of the Milton Education Village. All comments have been provided to the Town of Milton.</p> <p>Town Initiated Official Plan Amendments – Milton Education Village Comments</p> <p>C.12.4 Transportation 1. Under C.12.4.5.3 b) Collector Roads, Halton DSB will support traffic calming measures applied to the areas located near elementary schools.</p> <p>C.12.5 Parks, Public Open Space, and Greenways 2. Under C.12.5.5.2 Halton DSB supports the Greenway System of multifunctional corridors for active transportation as a connection to the elementary school.</p> <p><i>Halton DSB will support active transportation to and from schools.</i></p> <p><i>Halton DSB will not support a Greenway/Active Transportation Connection bisecting the school property, as shown on Schedule C.12.A and Schedule C.12.B.</i></p> <p><i>There should be no physical infrastructure (whether surface or subterranean) that bisect or encumber the efficient development of the site.</i></p> <p><i>Halton DSB will not encourage the general public to use these corridors on school property during school hours.</i></p> <p>C.12.6 Community Service and Facilities 3. Under C.12.6.1.1 The Halton DSB been consulted with regards to the location of the elementary school. The designated location is acceptable to the Board.</p> | <p>Comments noted.</p> <p>Comments noted. Regional Staff will continue to work with the Town of Milton and Halton District School Board to further refine Milton Education Village Innovation District's development concept.</p> <p>Comments noted.</p> |

| No. | Source | Submission | Response |
|-----|--------|---|--|
| | | <p>4. Under C.12.6.2.2:</p> <ul style="list-style-type: none"> a. At this time Halton DSB does not have an alternative standard for high-density neighbourhood schools. One will need to be developed in collaboration with the Town in order to better understand design requirements and whether it will meet the Board's long-term accommodation needs. b. It should be noted that site size and layout of Halton DSB designs and builds are aimed to meet long-term enrolment needs (i.e. portables), sufficient parking for staff and visitors (as defined by the Town and needs), and outdoor play space. Where possible, the Halton DSB is willing to collaborate with the Town of Milton with the development of the park to ensure together we can optimize land utilization. c. In consideration of the above, the Board is not supportive of accepting a smaller site size until such a time the Board has satisfied itself that it is able to accommodate all site infrastructure efficiently, and effectively, without compromising exterior play space. d. Under the new Education Development Charges Guidelines, the Board is able to identify Alternative Accommodation Projects that may allow for alternative capital projects which can offset land needs. These should be discussed with the Board when the next EDC Background study is ready for review. <p>5. Under C.12.6.2.3, Halton DSB is funded by the Ministry of Education. Halton DSB will continue to encourage a collaborative relationship with other government agencies. Should the opportunity arise to secure additional funding sources Halton DSB will pursue any application to achieve alternative designs. Note that these are not guaranteed, especially with recent limitations in capital funding. More information is required to understand the policy requirements of when the Board is no longer able to explore other funding mechanisms, and are required to proceed with the construction of the school.</p> <p>C.12.9 Urban Design Under C.12.9.3</p> | <p>Comments noted. Regional Staff will continue to work with the Town of Milton and Halton District School Board to further refine Milton Education Village Innovation District's development concept.</p> <p>Comments noted.</p> <p>Comments noted.</p> |

| No. | Source | Submission | Response |
|-----|--------|--|---|
| | | <p>b), Halton DSB is willing to create a hub with other community facilities to serve as a focal point.</p> <p>l) Halton DSB supports barrier-free facilities such as a school park campus.</p> <p>As a general comment, the funding envelope provided by the Ministry of Education for the construction of schools is very limited and is based on a per square foot benchmark funding formulae. That said, the Board has finite resources, and may be limited in providing certain design elements that may be recommended in this policy section.</p> <p>C.12.10 Implementation</p> <p>Under C.12.10, the Board is supportive of phasing policies that provide for the necessary framework to advance school sites when pupil accommodation requirements are needed. The Board is also supportive of phasing policies that align the availability of school sites and neighbourhood parks to better allow for campus designs as contemplated under C.12.6.6.2. Using recent school construction timelines in Boyne and the Region as a whole, the Board anticipates it can take between 2-3 years to construct a school, pending the status and serviceability of the site when it is acquired by the Board.</p> <p>In consideration of the above timing, there are instances where the development approvals timelines for the landowners and the Board are not aligned, which may present challenges in the timely provision of serviced school sites. Drawing from lessons learned in the latest secondary plans in the Region of Halton, the Board would like to take the opportunity to discuss phasing strategies with the Town to enhance our existing coordination strategies in future school projects. Examples could include, but are not limited to:</p> <ol style="list-style-type: none"> 1. Ensuring, where possible, that school sites are not tied to multiple SIS within the area. In the event they are, explore solutions on how the site could proceed with interim infrastructure in place. 2. Ensure school sites are located on a single landowner's property 3. Draft Plans of Subdivision that include a school site should demonstrate that in the event the school site is dependent on | <p>Comments noted. The Region will continue to work with the Town of Milton and the Halton District School Board to ensure school sites concerns are properly addressed in the Milton Education Village development concept and implemented through local development applications.</p> |

| No. | Source | Submission | Response |
|-----|--|---|----------|
| | | <p>infrastructure outside of their land holdings (e.g. storm pond further south), how the site could be serviced in the interim (e.g. temp pond).</p> <ol style="list-style-type: none"> 4. Draft Plans of Subdivision that don't include a school site, but include key infrastructure to service a school site should be required to extend services to the school block (ultimate or interim) in order to facilitate the timely delivery of school sites. 5. Where shared parking is an option with a community/neighbourhood park, but the timing of school and park are not aligned, identify interim solutions that can bridge the gap to ensure the ultimate neighbourhood benefits from a campus design. 6. Provide additional tools to Boards to access and prepare school sites as part of or outside of the Draft Plan of Subdivision process (e.g. ZBA, SPA). <p>The Halton District School Board at this time does support the Concept Plan with minor changes. If you have any questions or require further discussion, please contact Michelle D'Aguiar, Senior Planner, at 905 335-3663 (ext. 3395).</p> <p>Sincerely,</p> <p>Frederick Thibeault, MPI, BES General Manager of Planning HDSB</p> | |
| 5. | <p>Halton Catholic District School Board</p> <p>Email dated March 9, 2021</p> | <p>Dear Owen:</p> <p>RE: Application for Regional Official Plan Amendment Milton Education Village Town of Milton Your File No.: RQ62A</p> <p>Thank you for the opportunity to provide comments on the application from the Town of Milton to amend the Halton Region Official Plan as it seeks to support the Town's planning vision for the Milton Education Village (MEV).</p> <p>The Halton Catholic District School Board (HCDSB) delivers high quality Catholic education programs at ten (10) elementary and two (2) secondary schools in the Town</p> | |

| No. | Source | Submission | Response |
|-----|--------|---|----------|
| | | <p>of Milton. Together, these Public Service Facilities serve over 11,800 students within the Town of Milton, which represents a growth of over 127% since 2010 when the enrolment was a total of 5,227 students. With ongoing growth, it is anticipated that enrolment will increase by an additional 49% by 2030, to approximately 17,672 students.</p> <p>To address increasing enrolment demands, the HCDSB has three (3) planned elementary schools to open between 2022 and 2024, as well as one (1) secondary school currently under construction and scheduled to open in the 2023-2024 school year within the Boyne Secondary Plan area.</p> <p>These four (4) facilities are all planned to accommodate all growth anticipated from the Phase 3 Lands. The planned facilities currently identified in the Board's 2019 Long-Term Capital Plan are as follows:</p> <ul style="list-style-type: none"> • Milton #3 Catholic Secondary School (Cobben) – planned opening 2020-2021 school year • Milton #10 Catholic Elementary School (Cobben) – planned opening 2021-2022 school year • Milton #9 Catholic Elementary School (Walker) – planned opening 2022-2023 school year • Milton #11 Catholic Elementary School (Bowes) – planned opening 2024-2025 school year <p>The above timelines are dependent on Ministry funding, approvals, and construction timelines, and are subject to change.</p> <p>At present, all but two (2) existing elementary schools in the Town of Milton are operating with portables on site. The schools that have excess space are both operating above 90% facility utilization. Both will either receive additional students from the Milton Heights Secondary Plan or through boundary changes aimed at reducing enrolment pressures at other schools.</p> <p>The Town has engaged the HCDSB throughout the Milton Education Village Secondary Plan process. Comments provided to the Town on July 26, 2018 are attached to this letter.</p> | |

| No. | Source | Submission | Response |
|-----|--------|---|--|
| | | <p>It is understood that the one (1) elementary school and one (1) secondary school designated in the Land Use Plan were requested by other school boards. Based on the Board's current student yields for Milton, students can be accommodated in existing schools or planned schools in the Boyne Secondary Plan. As such, the Board will not be providing comments specific to the school sites designated within this Secondary Plan.</p> <p>The following additional comments are provided.</p> <p>C.12.4.3 Active Transportation – Walking and Cycling</p> <p>The Board is generally supportive of the development of safe active transportation linkages within communities to ensure that school-aged children can travel to/from school by walking, cycling or other active modes of travel.</p> <p>As there is no Catholic school designated within the Milton Education Village lands, elementary and secondary students will need to access schools east of Tremaine Road. To ensure students can safely travel across Tremaine Road, the Board is strongly supportive of grade separated active transportation links across Tremaine Road, given that the road for the most part has between 4-6 travel lanes, traffic circles at major intersections, and acts as a major north-south arterial road across Milton.</p> <p>In the absence of grade separated crossings, signalized crossings with crossing guards will need to be provided to ensure students can travel safely across major roads. The Board has provided similar comments in the past to the Town.</p> <p>C.12.4.4 Public Transit</p> <p>The Board is generally supportive of infrastructure that enhances transit services in the community to provide an alternative mode of transportation to secondary students for travel to/from school, places of employment, volunteering and other community services (e.g. sport fields, public libraries, community centres).</p> | <p>Comments noted. Regional Staff will continue to work with the Town of Milton and Halton Catholic District School Board to further refine Milton Education Village Innovation District's development concept.</p> <p>Comments noted.</p> |

| No. | Source | Submission | Response |
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| | | <p>C.12.4.5 Street Network</p> <p>The Board is generally supportive of street design that enhances active transportation (e.g. walking, cycling) for students traveling to/from school, including provision of pedestrian friendly streets and traffic calming measures.</p> <p>C.12.6.2 Schools</p> <p>The Board does not have a designated elementary or secondary school within the Milton Education Village lands. Depending on future boundary reviews within the area, elementary students may be directed to Milton #9 CES in the Mattamy Varga lands subdivision (24T-14014/M) or Lumen Christi CES. Secondary students may be directed to St. Francis Xavier CSS.</p> <p>Due to the location of these schools east of Tremaine Road, the comments provided above under C.12.4.3, C.12.4.4 and C.12.4.5 apply as it relates to ensuring that safe connections to those facilities are provided.</p> <p>If you have any questions regarding the aforementioned, please contact the undersigned.</p> <p>Yours truly,</p> <p>Dhilan Gunasekara Planning Officer</p> | <p>Comments noted.</p> <p>Comments noted.</p> |
| 6. | <p>Caldwell Consulting</p> <p>Comments dated December 11, 2021</p> | <p><u>RE: Peer Review of the Wilfrid Laurier University Milton Campus Agricultural Impact Assessment</u></p> <p>Thank you for the opportunity to review the Wilfrid Laurier University Milton Campus Agricultural Impact Assessment (referred to as the Laurier AIA within this document) prepared by DBH Soil Services Inc., dated October 2021.</p> <p>I have reviewed this document to ensure completeness and consistency with the Agricultural Impact Assessment Guidelines (2014) developed by the Region of Halton (Table 1). I have also reviewed the findings to determine their adequacy in addressing issues related to the interests of agriculture as stipulated within the Halton Region Guidelines.</p> | |


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| | | <p>At the outset it is appropriate to recognize the policy basis for the Agricultural Impact Assessment. The requirement for an AIA is established within provincial and regional planning documents. This policy direction reflects the goals of the region (and province) to protect agriculture and related agricultural interests. This includes both interests at the individual farm level and broader interests concerned with protecting the integrity of the overall agricultural system.</p> <p>Laurier AIA Overview</p> <p>As background to the AIA and this report it is worth repeating the following from the Laurier AIA (page 1):</p> <p><i>The vision for the WLU lands proposes future development of Green Infrastructure including but not limited to innovative storm water management systems and a broad range of activities related to the use of renewable resources and educational programming on the western portion of the WLU Milton Campus area extending westerly from the MEV Secondary Plan Area.</i></p> <p><i>The WLU Milton Campus lands include Part Lot 8 in Concession 7 in the Town of Milton, Regional Municipality of Halton. These lands are generally bounded by Bell School Line to the west, are included in the built area of Milton on the east, agricultural lands and woodlots to the north, and woodlots to the south. This study will be specific to the WLU Milton Campus lands that are located west of the built area of Milton.</i></p> <p><i>The proposed future development of these lands for the specific creation of Green Infrastructure within the Greenbelt, supporting the vision for the WLU Lands, requires the completion of an Agricultural Impact Assessment. The purpose of this AIA is to document the existing agricultural character, identify agricultural impacts (potential or real), and to provide avoidance or mitigative measures as necessary to offset any potential impacts. For this study, the WLU Campus area lands (located west of the MEV Secondary Plan Area) will be referred to as the Study Area.</i></p> <p><i>For the purpose of an Agricultural Impact Assessment (AIA) report, agricultural operations and activities are evaluated in a larger area, the Secondary Study Area, described as a potential zone of impact extending a minimum of 1500 m (1.5 km)</i></p> | |

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| | | <p><i>beyond the boundary of the Study Area. This minimum 1500 m (1.5 km) area of potential impact outside the Study Area is used to allow for characterization of the agricultural community and the assessment of impacts both on and in the immediate vicinity of the Study Area.</i></p> <p>While the above background materials refer to “future development of Green Infrastructure including but not limited to innovative storm water management systems and a broad range of activities related to the use of renewable resources and educational programming” the actual analysis completed by DBH focuses on “Green Infrastructure (Storm Water Management Ponds)”.</p> <p>Assessing Completeness of the Laurier AIA. The Regional Agricultural Impact Assessment Guidelines (https://www.halton.ca/Repository/Agricultural-Impact-Assessment-(AIA)-Guidelines) were used by DBH as a framework for completing the AIA. Figure 1 of these Guidelines, AIA Scope of Study summarizes the key components of an AIA. Table 1 of Regional Guidelines.</p> <p>In summary, I find that the Laurier AIA covers the elements of an AIA as identified within the Region’s Guidelines. It looks at both the “subject area” and a “secondary study area” to a distance of 1.5 km from the subject area. The AIA is comprehensive, and uses appropriate data sources. The main concerns identified in Table 1 will be reviewed later within this report, but largely hinge on the failure of the AIA to consider the broader range of uses contemplated by the applicants (i.e. in addition to storm water management ponds).</p> <p>There are 6 things that need to be done to enhance the completion of the AIA:</p> <ol style="list-style-type: none"> 1) The AIA needs to consider and conduct analysis reflecting the full range of uses contemplated by the applicants (educational programming, research, recreation, and outdoor classrooms/gathering, indigenous placemaking (including lodging facilities etc). These additional uses could impact agriculture in a number of ways, such as car traffic, foot or bike traffic, and lighting that could have an effect on neighbouring farms on Bell School Line. Additionally, these | <p>Comments noted. As noted in Staff Report LPS42-22, although the Agricultural Impact Assessment generally addresses the requirements of the Region’s Agricultural Impact Assessment Guidelines, it requires further consideration and analysis reflecting the full range of uses contemplated by the applicants. ROPA 51 will require sufficient mitigation and alternatives analysis be conducted through the local development applications process to demonstrate consistency with Provincial and Regional policy.</p> |

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| | | <p>placemaking (including lodging facilities etc.) goes beyond the exemption for infrastructure provided by MDS Guideline 3. Indeed, beyond MDS considerations the impacts of these additional activities to an area that already has difficulty moving farm machinery in a safe manner could be substantial.</p> <p>5) Impacts on Agriculture, Mitigative Measures and Conclusions need to be refined based on the broader range of uses (including potential traffic impacts on Bell School Line) (See Table 1 for more details)</p> <p>6) There are clear requirements of the PPS when considering non-agricultural uses in prime agricultural areas (2.3.6.1b)). Additionally, the Greenbelt Plan has criteria for locating and constructing infrastructure in the Protected Countryside (4.2.1.2f/g)). There has been limited discussion on the need and evaluation of alternatives nor of the location of the "stormwater ponds". Discussion of the demonstration of need and the evaluation of alternatives needs to be considered and is appropriate within the AIA.</p> <p>If the applicants clarify that the proposed uses will be limited to storm water management ponds than many of the issues flagged within this report will have been addressed subject to addressing item 2 above, addressing some specific mitigation measures outlined below and confirmation of need and evaluation of alternatives as identified in point 6 above (Greenbelt and PPS requirements)²</p> <p>Assessing Adequacy of the Laurier AIA. As noted above if the proposed uses on the property are limited to Storm Water Management Ponds than the AIA does a good job of evaluating policy, reviewing agriculture resource potential, considering impacts, and reviewing mitigation. The accompanying documents (including the Justification Report, Communications from Laurier and the Draft ROPA), however imply a much broader range of uses, and these have not been evaluated within the Laurier</p> | <p>and Regional policies must be demonstrated prior to development being permitted.</p> <p>Comments noted. Refer to the response above for further information.</p> <p>Comments noted. Refer to the response above for further information.</p> |

² As a general comment it is noted that some of the map references in the text are incorrect relative to the Map title.

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| | | <p>AIA. Some of the resulting concerns are as follows:</p> <p>1) Failure to consider the full range of uses</p> <p>The Planning Justification Report – November 2020 (Page 26) indicates:</p> <p><i>“The proposed ROPA provides a site-specific policy set to enable consideration of green infrastructure, including naturalised stormwater management systems, and a broad range of activities related to the use of renewable resources, including education programming, within the Protected Countryside lands of the Greenbelt.”</i></p> <p>Further to this in an undated and unsigned memo to Milton and Halton from Wilfrid Laurier University they speak to “Enhancements to Greenbelt Land Use”. The memo notes:</p> <p><i>“This plan envisions integration of certain campus activities into the Greenbelt land to achieve broader objectives that coincide with Laurier’s academic mission and research interests.”</i></p> <p>The Memo goes on to indicate “<i>The enhanced use of the Greenbelt lands for stormwater management, research, recreation, and outdoor classrooms/gathering is desirable to achieve better community planning, integration with, and stewardship of the Greenbelt lands.</i>”</p> <p>In addition to stormwater management the memo indicates that the following land uses are desired: research, recreation, and outdoor classrooms/gathering. These uses are not discussed within the AIA.</p> <p>Further, the draft ROPA (Sept. 24, 2021) identified a number of uses. I bring specific attention to:</p> <ul style="list-style-type: none"> iii) greenhouses associated with agricultural operations or scientific study, education and research purposes; iv) buildings and structures that may provide temporary lodging and board for the provision of programs and services of Indigenous place-making and culture camps; and | <p>Comments noted. As noted in Staff Report LPS42-22, should the applicants propose uses outside of stormwater management systems, further consideration and analysis reflecting the full range of uses contemplated by the applicants will be required. ROPA 51 will require sufficient mitigation and alternatives analysis be conducted through the local development applications process to demonstrate consistency with Provincial and Regional policy.</p> |

| No. | Source | Submission | Response |
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| | | <p>While the draft ROPA (Sept 24, 2021) does not include a legal description of the property or a map, a map prepared by Brook McIlroy (undated) entitled Conceptual Greenbelt and Campus Framework (Laurier Milton Campus Master Plan) shows an area labelled “Indigenous Placemaking”. This appears to be within the study area and it is assumed that it is within this area that temporary lodging and board facilities are contemplated. Likewise, greenhouses for scientific study, education and research purposes raises the potential to establish uses that are significantly different from the agricultural uses that have existed on the site for more than 100 years. Their potential location is not shown.</p>  <p>Conceptual Greenbelt and Campus Framework Laurier Milton Campus Master Plan Without Prejudice</p> <p>It is understood that the Concept Plan for the WLU campus continues to evolve. Indeed there is a version of the concept plan that extends the subject area onto the lands to the north (which if maintained will require a revised AIA to address the revised subject area and secondary study area). There needs to be clarity on what is being proposed so that there is clarity on how to assess impacts to agriculture.</p> <p>The failure of the Laurier AIA to consider this range of uses, is a major concern. This range of uses goes beyond what is required to accommodate the proposed storm water management ponds. They have not been contemplated within the AIA and the resulting impact of these uses on agriculture and related policy is unknown.</p> <p>2) Minimum Distance Separation exclusions.</p> <p>Section 2.1.5 of the AIA includes the following section:</p> <p>2.1.5 MINIMUM DISTANCE SEPARATION Minimum Distance Separation (MDS) formulae were developed by OMAFRA to reduce and minimize nuisance complaints due to odour from livestock facilities and to reduce land use incompatibility. MDS Guideline # 3 states</p> | |

| No. | Source | Submission | Response |
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| | | <p>“Certain proposed uses are not reasonably expected to be impacted by existing livestock facilities or anaerobic digesters and as a result, do not require an MDS I setback. Such uses may include, but are not limited to:</p> <ul style="list-style-type: none"> • extraction of minerals, petroleum resources and mineral aggregate resources; • infrastructure; and • landfills. <p>The proposed development of the Study Area would accommodate Green Infrastructure (storm water management ponds). As indicated in MDS Guideline #3, neither MDS 1 nor MDS 11 apply, as the proposed use is not reasonably expected to be impacted by existing livestock facilities.</p> <p>Therefore, MDS 1 calculations are NOT required for this study and have not been completed.</p> <p>While I agree that MDS Guideline 3 excludes storm water management ponds under the definition of infrastructure I do not believe that this excludes the range of uses outlined above and contemplated for the site. In my opinion, based on this range of requested uses MDS I calculations needs to be completed (or alternatively clear direction provided by the applicants that the only contemplated uses on the subject site are stormwater management ponds).</p> <p>3) Agricultural Policy Analysis The Policy Analysis section of the AIA covers a number of relevant plans and documents. These documents are Provincial, Regional and Local (Milton). This analysis focuses on the potential to establish Infrastructure (storm water management ponds) within the subject area. My review will bring focus to the Greenbelt Plan. The AIA report includes a number of key statements copied below:</p> <p><i>“With respect to this AIA, where the proposed future development of portions of the Study Area would comprise Green Infrastructure (storm water management ponds), the General Policies for the Protected Countryside are provided in Section 4.2 Infrastructure. Select policies, relevant to this AIA are provided below.”</i></p> | <p>Comments noted that MDS I analysis will be required for certain uses contemplated by the applicant and will be addressed as part of future local development applications. Conformity with Provincial and Regional policies must be demonstrated prior to development being permitted.</p> |

| No. | Source | Submission | Response |
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| | | <p>The AIA reports copies important sections of the Greenbelt Plan. I bring focus to these (emphasis added in bold):</p> <p><i>2. The location and construction of infrastructure and expansions, extensions, operations and maintenance of infrastructure in the Protected Countryside are subject to the following:</i></p> <p><i>a) Planning, design and construction practices shall minimize, wherever possible, the amount of the Greenbelt, and particularly the Natural Heritage System and Water Resource System, traversed and/or occupied by such infrastructure;</i></p> <p><i>c) Where practicable, existing capacity and co-ordination with different infrastructure services shall be optimized so that the rural and existing character of the Protected Countryside and the overall hierarchy of areas where growth will be accommodated in the GGH established by the Greenbelt Plan and the Growth Plan are supported and reinforced;</i></p> <p><i>f) New or expanding infrastructure shall avoid specialty crop areas and other prime agricultural areas in that order of priority, unless need has been demonstrated and it has been established that there is no reasonable alternative;</i></p> <p><i>g) Where infrastructure crosses prime agricultural areas, including specialty crop areas, an agricultural impact assessment or equivalent analysis as part of an environmental assessment shall be undertaken;</i></p> <p>The AIA Report (page 14) concludes: “Therefore, as identified in the Greenbelt Plan (2017) policy, infrastructure is an allowable land use within the Protected Countryside.”</p> <p>While the Greenbelt Plan certainly permits infrastructure in the Protected Countryside, it does so in a specific way. The key policies / considerations are identified below. It is important to note this as it provides additional context and tempers the conclusion reached by the AIA.</p> | |

| No. | Source | Submission | Response |
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| | | <p>First, the Greenbelt Plan identifies overall objectives for infrastructure in the Protected Countryside (4.2.1.1 a) and b)) –infrastructure is permitted provided it meets one of these two objectives. If it does not than the use would not be permitted.</p> <p>Second, it subjects the location and construction of infrastructure to the criteria in 4.2.1.2, a, c, f, and g (above). These are critical considerations which require more detail demonstrating how these criteria have been met. Third, it subjects stormwater infrastructure to specific policy tests as set out in 4.2.3. While this may be beyond the AIA it is important to note that 4.2.3.3 prohibits storm water management facilities in key natural heritage features and their associated vegetation protection zones. This locational criteria further challenges the proposal. There are also other general policies related to natural heritage in the PPS, Greenbelt Plan, and Regional Official Plan that have a bearing on the proposal.</p> <p>I will also add the Definition of Infrastructure from the Greenbelt Plan:</p> <p>Infrastructure <i>Means physical structures (facilities and corridors) that form the foundation for development. Infrastructure includes: sewage and water systems, septage treatment systems, stormwater management systems, waste management systems, electricity generation facilities, electricity transmission and distribution systems, communications/telecommunications, transit and transportation corridors and facilities, oil and gas pipelines and associated facilities (PPS, 2014).</i></p> <p>As noted previously Stormwater Management Ponds are different than the much broader range of uses contemplated and applied for in various documents provided by the applicants.</p> <p>As noted above Sections a, c, f and g are critical to the review of the proposed use and have not been sufficiently answered by the AIA. In my view the applicants need to minimize the amount of land occupied by infrastructure; they need to maintain the rural and existing character of the Protected</p> | |

| No. | Source | Submission | Response |
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| | | <p>Countryside and new infrastructure shall avoid prime agricultural areas, unless need has been demonstrated and it has been established that there is no reasonable alternative.</p> <p>There are several questions and observations that emanate from these policies. What is the minimum amount of land required to provide the required stormwater management capacity? How does the range of uses impact the rural and existing character of the Protected Countryside and finally if this use is to locate on prime land where is the evaluation that looks at alternatives? (perhaps within the previously designated area or in some other format).</p> <p>With regard to the establishment of these broader uses on the subject site they appear as an intrusion of an urban use into the countryside. Indeed, the storm water management ponds facilitate urban growth and expansion, not to mention the much broader range of uses contemplated for the site. How does this impact the willingness of farmers to make further investments in the secondary study area? How does this impact the long-term intent of the planning system to establish firm urban boundaries? As a minimum, if this infrastructure use (storm water management ponds) are required in this location and permitted by applicable policy they should occupy the least amount of land possible and physically locate as close as possible to the development.</p> <p>4) Traffic Analysis The AIA indicates there will be no traffic off of Bell School Line. If the permitted uses are limited to storm water management ponds this is probably a reasonable conclusion. Having said this, the range of permitted uses contemplated and the mapping shows pedestrian trails and maintenance access ways that exit onto Bell School Line (see Conceptual Greenbelt and Campus Framework map earlier in this report). It is not too difficult to imagine cars parked on the side of the road to access pedestrian trails or traffic wanting to use the maintenance access ways to access other contemplated facilities/uses on site.</p> <p>Given the range of broader uses it would be appropriate to revisit the potential for traffic issues on Bell School Line within the AIA.</p> <p>5) Mitigation: An analysis of mitigation can be reviewed in two ways.</p> | <p>Comments noted. As noted in Staff Report LPS42-22, OPA51 require demonstration through the local development applications of consistency with all applicable Provincial and Regional policy prior to development being permitted.</p> <p>Comments noted.</p> |

| No. | Source | Submission | Response |
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| | | <p>First, there are suggestions provided within the AIA report. These apply to the study area and include a range of actions such as fencing, signage, berms, vegetation screening, etc. These suggestions reflect the AIA assessment focused on storm water management ponds. The suggestions are reasonable enough given the use of the property for storm water management ponds only.</p> <p>A mitigative strategy identified within the AIA that should be repeated is that <i>"The design of the Green Infrastructure (storm water management ponds) should take into consideration to use the smallest footprint for the ponds."</i></p> <p>Second, mitigative strategies need to be considered in the context of the broader range of uses that is mentioned in other documents and incorporated into the draft ROPA. Given that this analysis has not been completed as part of this AIA it is difficult to speculate on further mitigative strategies but they may relate to MDS I (would area farms be limited by the proposed development), compatibility, the potential for traffic onto Bell School Line, the presence of accommodations etc.). As an example the Region/Town may wish to consider a dedication of land to limit land access (pedestrian and vehicular) from Bell School Line.</p> <p><u>Summary and Recommendations</u> I find myself challenged by the Laurier AIA.</p> <p>It is one of the better AIA's I have reviewed. It is comprehensive, well-written, uses appropriate data sources and presents them in a logical, reflective way. It must be noted, however, that there are gaps in the policy analysis (PPS, Greenbelt Plan), and a number of unanswered questions (such as how much land is actually required for the storm water management ponds, are there alternatives that avoid the previously farmed lands on the subject site, and are there additional mitigative measures to be pursued in response to these questions). This additional information is required to comment conclusively on the adequacy of the AIA in addressing subject area and secondary study area impacts. The existing AIA concludes that the impact on agriculture will be limited. This is a reasonable conclusion for the secondary study area if these four criteria are met. i) the use is limited to storm water management ponds, ii) the use complies with all applicable planning documents</p> | <p>Comments noted. As noted in Staff Report LPS42-22, ROPA 51 will require sufficient mitigation and alternatives analysis be conducted through the local development applications process to demonstrate consistency with Provincial and Regional policy.</p> |

| No. | Source | Submission | Response |
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| | | <p>(largely hinging on compliance with the PPS and Greenbelt Plan as reviewed earlier), iii) the amount of required land area is kept to the absolute minimum and iv) all relevant mitigation is addressed. This information however, is not adequately addressed within the AIA report. In addition, justification supporting the conversion of the subject lands is lacking (<i>i.e. prime agricultural areas shall be avoided “unless need has been demonstrated and it has been established that there is no reasonable alternative.”</i></p> <p>There is an even more pressing concern, however. The Laurier AIA does not address the full range of uses that are identified by the applicant. It focuses on a single land use – stormwater management ponds and fails to consider the broader range of land uses that are implied, suggested and specifically listed within the draft ROPA. As a result, I find myself reaching the following conclusions:</p> <p>The AIA needs to be revised to consider and analyze the impacts of the full range of uses that have been suggested by the applicants (see for example the Revised Draft ROPA dated Sept 24, 2021). In my opinion a number of the proposed uses go beyond “Infrastructure (Storm Water Management Ponds).” I also suggest that clear definitions of the range of uses needs to be provided to DBH consulting to allow them to complete this analysis (For example - what are greenhouses associated with scientific study, education and research purposes- are they an agricultural use or an educational facility; and how extensive are buildings and structures that may provide temporary lodging and board for the provision of programs and services of Indigenous place-making and culture camps).</p> <p>Additionally in my opinion this broader range of uses triggers the requirement for the completion of MDS I calculations and the identification of additional mitigative strategies.</p> <p><u>or</u></p> <p>Clarification needs to be provided by the applicants that development will be limited to Infrastructure (Storm Water Management Ponds) as discussed within the AIA.</p> | <p>Comments noted. See above responses for further reference.</p> <p>Comments noted. See above responses for further reference.</p> |

| No. | Source | Submission | Response |
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| | | <p>This would have the advantage of addressing a number of issues flagged within this analysis. It provides the most certainty for agriculture in the Secondary Study Area, it affirms the position of the Laurier AIA that MDS I calculations do not need to be completed, it minimizes the risk of traffic developing on Bell School Line related to trail or other uses on the property, it minimizes potential conflicts associated with lodging and other identified uses. It respects the Protected Countryside designation of the Greenbelt Plan, it prioritizes agriculture over development and it also provides the municipality with a certain level of certainty as to how this area will develop over time (vs. a range of uses that are not clearly defined that may evolve incrementally in the absence of clear policy for the subject property).</p> <p>I hope the above comments are helpful. If you have any questions please let me know.</p> <p>Sincerely,</p> <p>Wayne Caldwell, PhD, RPP, FCIP President, Caldwell Consulting</p> <p><i>[please refer to Appendix 1 at the end of this document for a detailed comment table provided as an appendix to this submission]</i></p> | |
| 7. | <p>Chris Harley Milton resident</p> <p>Comments via voicemail dated January 26, 2022</p> | <p>Hi, good morning Owen,</p> <p>My name is Chris Harley and I am calling on behalf of my mother. We own about 75 acres just north of the MEV, basically at the corner of Bell School Line along Derry Road, with the exception of one or two dwellings at the very corner.</p> <p>I understand that there has been a proposed amendment to change the zoning for the land behind the MEV towards Bell School Line. I want to get a little more information on that. We also did not receive any mail or notifications that some of our neighbors had. Not too sure why that is. Maybe you can shed some light and ensure that we are on your mailing list. Can you please call me back?</p> <p>Chris Harley</p> | <p>Clarification was provided in response to this submission explaining that the resident's lands are located beyond 120 metres from the lands subject to the application, and thus were not covered by the Region's mail out in accordance with the Planning Act. Statutory Public Meeting notice materials were forwarded to the resident.</p> |

| No. | Source | Submission | Response | |
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| 8. | Janice Smith on behalf of Milton resident Comments via voicemail dated January 27, 2022 | <p>Hi,</p> <p>I am calling on behalf of a property owner. They are looking to get copies of three attachments that were from October. We haven't been able to find them.</p> <p>We are looking for the proposed MEV ROPA RQ62A the October 2021 version, the MEV Context Map, and the Wilfred University Greenbelt Lands Concept Plan. If you could please call me back that would be great.</p> <p>Thank you, Janice</p> | <p>Information requested were provided by regional staff in response to this submission.</p> | |
| 9. | 1062119 Ontario Inc. Milton Resident Comments via voicemail and email dated February 9, 2022. | <p><i>Voicemail dated February 9, 2022</i></p> <p>Hi Owen,</p> <p>My name is Adrian Zulian. We received notice about a possible changing of zoning to a property that we own on Bell School Line, and the meeting is tomorrow. If you could give me a call back, I just have a couple of quick questions for you.</p> <p>Thank you.</p> <p><i>Email dated February 9, 2022</i></p> <p>Thank you Owen:</p> <p>We listened in and found the meeting quite interesting! The land we own is held in a corporation owned by 3 family members who all were able to listen in. We would like to be kept informed as to the next steps in the process and to have a link to the recording of the meeting.</p> <p>Can you direct us to the right person ... would that be the regional clerk?</p> <p>Sincerely,</p> <p>Adrian Zulian Director and Secretary 1062119 Ontario Inc.</p> | <p>The resident's contact information was added to the notification list as requested and directed to the Region's amendment project site for further information.</p> <p>Link to the meeting recording was provided by regional staff in response to this submission.</p> <p>Regional staff also advised that the proposed amendment would add additional permitted uses to the subject lands and would not change underlying zoning designations or permissions currently in place over the resident's lands, as a response to the resident's inquiries to the Regional Clerk.</p> | |
| 10. | Town of Milton Email dated May 19, 2022 | <p>Good afternoon Laurielle</p> <p>I am writing to confirm that Town Staff support the approach taken by Regional Staff to incorporate the provisions for the MEV Complementary Greenbelt Lands in the Regional Official Plan.</p> <p>Town Staff consider that the proposed modified ROPA acknowledges and respects the unique nature of the proposal. The</p> | <p>Comments noted.</p> | |

| No. | Source | Submission | Response |
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| | | <p>policy framework proposed in the modified ROPA provides a policy gateway that will enable the vision of a world class stormwater research facility to be realized. The Town of Milton are excited at the prospect of establishing a research facility that capitalizes on this unique location to address the pressing concerns of urban stormwater management and climate change in concert with the principles of good environmental stewardship and sustainable development.</p> <p>I can also confirm that the proposal will be implemented through local planning processes in the form of a Plan of Subdivision supported by relevant studies as required.</p> <p>Thank you for your co-operation and assistance on this important file for the Town of Milton and the Region of Halton.</p> <p>Best regards</p> <p>David Director, Planning Policy & Urban Design</p> <p><i>Follow up email dated May 19, 2022</i></p> <p>Hi Laurielle</p> <p>It is our view that a LOPA is not required. We anticipate implementing through the subdivision planning process.</p> <p>Thanks</p> <p>David Director, Planning Policy & Urban Design</p> | |


Appendix 1 – Peer Review of Wilfrid Laurier University Milton Campus Agricultural Impact Assessment Comment - Table 1

Table 1: Assessing Completeness of the Laurier AIA.

Does the Laurier AIA include content consistent with individual guideline criteria identified in Agricultural Impact Assessment (AIA) Guidelines Regional Official Plan Guidelines (summarized in Figure 1, AIA Scope of Study)

AIA Content






| Criteria to be addressed: | Comments |
|---|--|
| Summary | |
| Description of Proposal | |
| <ul style="list-style-type: none"> Type of application Nature of Application | <p>The specific description and nature of the application is not fully reviewed within the AIA. The AIA refers to Infrastructure uses related to Stormwater Management but remains silent on the broader range of uses that appear to be contemplated and are noted in the Introduction to the AIA and in other documents (research, recreation, and outdoor classrooms/gathering).</p> <p>Commentary and analysis should be provided in light of the range of uses contemplated with the Sept 24, 2021 draft ROPA</p> <p>The specific details of the subject amendment are not reviewed (these are included in the Justification Report and the Sept 24, 2021 draft ROPA) and should be reflected within the AIA.</p> |
| Policy Context | |
| <ul style="list-style-type: none"> PPS – section 2.3.4 PPS – section 2.3.5 PPS – section 2.3.6 PPS – section 2.4.4 Greenbelt Plan Growth Plan Niagara Escarpment Plan Regional Official Plan Local Official Plan Zoning By-law Other (as Applicable) | <p>While the applicability of these documents varies, the Laurier AIA reviews these guiding documents in appropriate detail. It is noted however that the analysis is largely limited to storm water management ponds in the context of Infrastructure. The analysis does not speak to the broader range of uses that are contemplated (educational programming, research, recreation, and outdoor classrooms/gathering, indigenous placemaking (including lodging facilities etc). As a result some of the conclusions and observations can be questioned.</p> |
| Physical Resource inventory | |
| <ul style="list-style-type: none"> On-site – Soils On-site – Climate On-site – Topography On-site - Drainage Off-site – Soils Off-site – Climate Off-site – Topography Off-site - Drainage | <p>The Laurier AIA reviews each of these physical resource attributes drawing upon generally accepted data sources. The level of analysis is appropriate.</p> <p>The AIA notes that the subject lands are class 1 according to the CLI. The report also notes that there are wetlands on site and that these areas would be more appropriately classified as class 5w. It is noted that there are related issues of drainage although cropping occurred historically over a significant portion of lot 8, concession 7 and to the portion of that lot that comprises the study area.</p> <p>It should be noted that much of this property was farmed for many, many decades prior to more recently being taken out of crop production.</p> |

| On-Site Land Use Features | |
|---|---|
| <ul style="list-style-type: none"> • Past Farming Practices • Existing production • Non-Ag land use on site • Parcel characteristics • Farm management • Capital investment | <p>It would be helpful if the AIA provided a more detailed history of agriculture on the subject site (when was it most recently cropped, was it part of a neighbouring farm, why was it removed from crop production etc). While it is currently identified as an “open field”, historic air photos suggests that it was cropped until relatively recently. Indeed a visual inspection leads one to conclude that the potential for cropping is similar to that of the field to the immediate north.</p> <p>Review of a 1954 air photo for example (Lot 8, Concession 7) portrays a relatively typical farm with the subject lands including both woodlot and farm fields (Air photo extract showing this parcel to the right):</p>  <p>Other aspects of on-site land use are reviewed in appropriate detail. The one water well on the subject parcel is noted.</p> |
| Off-Site Land Use Features | |
| <ul style="list-style-type: none"> • Surrounding land use types • Existing and potential constraints • Land Use, lotting and tenure patterns | <p>The Laurier AIA considers surrounding land use and Existing and Potential Constraints to On-site Agriculture. The Secondary area is covered to a distance of 1.5 km. Figures 13, 14 and 15 for example cover Land Use, Agricultural Investment and Fragmentation in appropriate detail.</p> <p>The methods for the collection of this data are appropriate (especially in the context of Covid). The review of agricultural facilities within the secondary study area includes quality information and detail. Likewise the study of drainage and water wells appears to be complete.</p> <p>Of interest the presentation of results (for example Table 2 of the AIA) appears to include the existing designated and built up area to the east and north-east of the subject lands (i.e. urban lands within Milton). The end result is that this significantly downplays the prevalence of agriculture within the remaining Secondary Study area. Whether the data should or should not be presented this way is a point for debate, but the effect should be noted.</p> <p>The issue of fragmentation is important and the AIA reviews this in some detail. It is perhaps worth noting that much of this fragmentation is historic. The Region has had a rigorous framework in place for many years that has effectively limited severances that contribute to fragmentation in the rural areas.</p> |

| | |
|---|---|
| Agricultural Viability | |
| <ul style="list-style-type: none"> • Site/property • Neighbouring operations | The use of census data and the agricultural systems portal of OMAFRA is effective in capturing broader economic trends. |
| Impacts on Agriculture | |
| <ul style="list-style-type: none"> • Loss of resources • Effect on surrounding lands • Character of the area • Cumulative Impacts | <p>The AIA provides rational for not completing an MDS review. This is based on the proposed use consisting of Stormwater Management Ponds. This appears to ignore the broader range of uses contemplated by the applicants. For example Laurier has indicated: <i>“The enhanced use of the Greenbelt lands for stormwater management, research, recreation, and outdoor classrooms/gathering (emphasis added) is desirable to achieve better community planning, integration with, and stewardship of the Greenbelt lands.”</i></p> <p>The AIA report concludes that there will be minimal on and off site impacts on agriculture. This conclusion is captured in the very last point of section 5.1: <i>“Disruption to surrounding farm operations – there should be no disruption for surrounding/adjacent farms as the proposed future development would be the creation/construction of Green Infrastructure (storm water management ponds).”</i></p> <p>As noted previously the AIA report considers a single land use - storm water management ponds and does not take into account the broader range of uses that are contemplated by the application.</p> <p>Likewise the AIA report concludes: “The proposed future development of the Study Area lands for Green Infrastructure (storm water management ponds) will not result in an increase in traffic.” This fails to consider the potential for unrelated uses that are physically close to Bell School Line and which have the potential to generate related parking and traffic issues over time (maintenance access ways, pedestrian trails, recreation, indigenous place making (lodgings) etc). Bell School Line has limited capacity and is used by farm vehicles and equipment.</p> <p>If there are only storm management ponds, will there be lighting in and around these? Where will they be located and exactly how many? Lighting on neighbouring crops has been reported to delay maturation in soybeans resulting in reduced yields and impacting farm revenue. Additional information is needed to assess potential impacts.</p> |
| Mitigative Measures | |
| <ul style="list-style-type: none"> • Measures to reduce impacts • Notices (item 2.9 c) | <p>This is covered in Section 5.4 of the AIA report.</p> <p>Section 5.4.1 Avoidance concludes with:</p> <p><i>There may be a loss of the use of all, or a portion of, the small areas of designated agricultural lands, if the agricultural lands are not within the Dillon Consulting defined wetland portions of the Study Area. Any potential loss of lands (agriculture or non-agriculture) will be dependent on the design and location of the Green Infrastructure within the Study Area lands. It should be noted that the lands that will be used for the Green Infrastructure (storm water management ponds) and is an allowed land use within the Greenbelt Protected Countryside.</i></p> <p>Section 5.4.2 Avoidance concludes with:</p> |

| | |
|-------------------------------|--|
| | <p><i>As the loss of lands cannot be avoided, mitigation should limit the amount of land lost and direct the design of the Green Infrastructure to avoid the Prime Agricultural areas. The design of the Green Infrastructure (storm water management ponds) should take into consideration to use the smallest footprint for the ponds.</i></p> <p>Section 5.4.3 Mitigating Impacts offers a number of suggestions related to the use of Storm Water Management Ponds. The resulting conclusion is:</p> <p><i>It has been identified previously in this AIA report, that there will be no impacts to the adjacent agricultural lands. Therefore, these mitigation measures are provided as potential enhancements to the Study Area lands.</i></p> <p>Specifically Section 5.4.3 offers a number of strategies such as fencing, signage, berms, vegetation screening, etc. These are to be located on the subject site.</p> |
| Conclusions | <p>Section 6 provides a Summary and Conclusions. The section provides an abbreviated summary of the findings of the AIA as presented within the report.</p> <p>It concludes with the paragraph:</p> <p><i>Given the geographical location of these lands, it is the conclusion of this study that the proposed future development of portions of the Study Area lands for Green Infrastructure (storm water management ponds) would have no impact on the surrounding agricultural activities within the Secondary Study Area. It is also the conclusion of this study that the proposed future development for Green Infrastructure is an allowed use of lands and it is my opinion that these lands can reasonably be developed for Green Infrastructure.</i></p> |
| Background Information | <p>Appendices are included that provide photos, CLI information and CV's.</p> |

Conceptual Context Map

-  Key Natural Heritage Feature of the Greenbelt
-  30m Vegetation Protection Zone
-  Watercourse
-  Wilfrid Laurier University & Conestoga College Property Lines
-  Urban Boundary/Secondary Plan Area



Milton Education Village

May 9, 2022

Ms. Laurielle Natywary
Manager Community Planning North
Planning Services,
Legislative and Planning Services
Halton Region
Sent Via Email

Dear Ms. Natywary:

Re: Stormwater Management Concept, Regional Official Plan Amendment,
Milton Education Village Secondary Plan Lands

In response to our call earlier this week, this letter submission and the attached document from Crozier is being provided to address two policies: 4.2.1 and 4.2.3 of the Greenbelt plan and a more detailed explanation as to how the proposed storm water management concept for the Milton Education Village is in conformity with those policies. These submissions identify the unique attributes of this proposed research facility pond and why it is proposed at this location within the Greenbelt Plan.

The Greenbelt Plan states:

- 4.2.1.1 All existing, expanded or new infrastructure subject to and approved under the Canadian Environmental Assessment Act, the Environmental Assessment Act, the Planning Act, the Aggregate Resources Act or the Telecommunications Act or by the National or Ontario Energy Boards, or which receives a similar environmental approval, is permitted within the Protected Countryside, subject to the policies of this section and provided it meets one of the following two objectives:
- a) It supports agriculture, recreation and tourism, Towns/Villages and Hamlets, resource use or the rural economic activity that exists and is permitted within the Greenbelt; or
 - b) It serves the significant growth and economic development expected in southern Ontario beyond the Greenbelt by providing for the appropriate infrastructure connections among urban centres and between these centres and Ontario's borders.

The attached letter from Mr. Nick Mocan, Crozier sets out in detail the proposal for this green infrastructure within the Greenbelt lands. As set out, this project presents a unique opportunity to contribute to the future of stormwater management in Ontario. The proximity of the lands to natural heritage features within the Greenbelt lands is a critical element for the success of the research program. This location provides an opportunity to develop and implement research activities regarding the effects of urban development and the associated stormwater practices in a location somewhat isolated from other direct urban influences. This requirement cannot be met in a location within the Urban Area due to the numerous direct influences from urban development. This research program requires a location with a combination of natural heritage and open space resources found within the Greenbelt while being proximate to the urban area to obtain the required base flow levels to supply the pond.

The research lead and steward of the research facility, Wilfrid Laurier University, is directly adjacent to this research facility. This will be a one of a kind facility with the university as the study manager in collaboration with their partners such as Conservation Halton and Crozier. The results of this research initiative will provide direct benefits to the Region of Halton, Conservation Authority and the municipalities as well as the Province (MECP) by providing a much stronger understanding of the best future technologies for storm water management. This research program will have economic and growth management benefits that ultimately will benefit not just Halton but southern Ontario and beyond. Benefits will include better planning for urban infrastructure including minimizing and managing of impacts on natural heritage resources as well as more efficient and effective designs for storm water management ponds. These best practices will not only benefit urban areas but will have direct application to smaller communities such as hamlets and villages as well as large scale agricultural uses and other rural uses such as golf courses and rural industrial uses that require storm water management facilities.

As set out above, this proposed green infrastructure project and research program for identifying and assessing best practices for storm water management facilities is in conformity with Section 4.2.1.1.a) of the Greenbelt Plan. It will provide a much needed understanding and new best practices for storm water management facilities for a wide range of uses permitted within the Greenbelt including the urban uses found within Towns/ Villages and Hamlets. This facility will support and provide tools to maintain and enhance the important resource of the Greenbelt - the natural heritage system. This facility will provide educational tourism as well as recreational opportunities as well as broad economic and growth management benefits within the Greenbelt and beyond.

Regarding Section 4.2.1.2, the following is provided:

4.2.1.2 The location and construction of infrastructure and expansions, extensions, operations and maintenance of infrastructure in the Protected Countryside are subject to the following:

- a) Planning, design and construction practices shall minimize, wherever possible, the amount of the Greenbelt, and particularly the Natural Heritage System and Water Resource System, traversed and/or occupied by such infrastructure;

This will be demonstrated through SIS

- b) Planning, design and construction practices shall minimize, wherever possible, the negative impacts on and disturbance of the existing landscape, including but not limited to, impacts caused by light intrusion, noise and road salt;

One of the components of the research program is the long term impact of chlorides on aquatic ecosystems. The objective of this endeavor is develop solutions that result in an overall net improvement.

- c) Where practicable, existing capacity and coordination with different infrastructure services shall be optimized so that the rural and existing character of the Protected Countryside and the overall hierarchy of areas where growth will be accommodated in the GGH established by the Greenbelt Plan and the Growth Plan are supported and reinforced;

This policy is not applicable.

- d) New or expanding infrastructure shall avoid key natural heritage features, key hydrologic features or key hydrologic areas unless need has been demonstrated and it has been established that there is no reasonable alternative;

KNHFs, KHF's and KHAs have been avoided.

- e) Where infrastructure does cross the NHS or intrude into or result in the loss of a KNHF, KHF or KHA, including related landform features, planning, design and construction practices shall minimize negative impacts on and disturbance of the features or their related functions and, where reasonable, maintain or improve connectivity;

This will be achieved and will be addressed through required SIS.

- f) New or expanding infrastructure shall avoid specialty crop areas and other prime agricultural areas in that order of priority, unless need has been demonstrated and it has been established that there is no reasonable alternative;

As set out above, there is no reasonable alternative to this location. An AIA has been prepared in support of this application.

- g) Where infrastructure crosses prime agricultural areas, including specialty crop areas, an agricultural impact assessment or equivalent analysis as part of an environmental assessment shall be undertaken;

An AIA has been provided in support of this application.

As set out above, the proposed storm water management research facility is in conformity with this section of the Greenbelt Plan.

Regarding Section 4.2.3, the following is provided: Section 4.2.3 (Stormwater Management and Resilient Infrastructure Policies) states:

1. Planning, design and construction of stormwater management infrastructure shall be carried out in accordance with the policies in subsection 3.2.7 of the Growth Plan.

This proposal is an integral element of the overall storm water management plan for the MEV and addresses subsection 3.2.7 of the Growth Plan

2. Municipalities shall assess infrastructure vulnerability within Towns/Villages in accordance with policy 3.2.1.4 of the Growth Plan.

This section is not applicable.

3. Stormwater management systems are prohibited in key natural heritage features, key hydrologic features and their associated vegetation protection zones. The determination of appropriate vegetation protection zones shall be defined in accordance with sections 3.2.5.4 and 3.2.5.5 of this Plan, which consider the area and nature of the feature being protected and the nature of the proposed SWM system.

The SWM pond has been designed to avoid all KNHF and KHFs and associated VPZs – i.e., 30m buffers provided to wetlands.

4. Applications for development and site alteration in the Protected Countryside shall be accompanied by a SWM plan that demonstrates that:

- a) Planning, design and construction practices will minimize vegetation removal, grading and soil compaction, sediment erosion and impervious surfaces;
- b) An integrated treatment approach will be used to minimize stormwater flows and mimic natural hydrology through lot level controls, low impact development and other conveyance techniques;
- c) Applicable recommendations, standards or targets within a subwatershed plan or equivalent and water budgets will be complied with; and
- d) Applicable objectives, targets, and any other requirements within a stormwater master plan will be met in accordance with the policies in subsection 3.2.7 of the Growth Plan.

All of these design parameters are met. It is noted that there is no storm water master plan for this area so this policy d) is not applicable.

5. The objectives of the SWM plan are to avoid, or if avoidance is not possible, minimize and mitigate stormwater volume, contaminant loads and impacts to receiving watercourses in order to:
 - a) Maintain groundwater quality and flow and stream baseflow;
 - b) Protect water quality;
 - c) Minimize the disruption of pre-existing (natural) drainage patterns wherever possible;
 - d) Prevent increases in stream channel erosion;
 - e) Prevent any increase in flood risk; and,
 - f) Protect aquatic species and their habitat

The purpose of this research endeavor is to identify and apply best storm water management practices through a long term research program. All of these factors will be addressed.

One other policy area which I would like to address within this submission is the permission within the Regional Natural Heritage System for essential transportation and utility facilities. As per section 288, a utility includes stormwater system. Essential is defined in the Regional Official Plan means “that which is deemed necessary to the public interest after all alternatives have been considered and, where applicable, as determined through the Environmental Assessment process.

As set out in the attached letter from Crozier and explained within this submission, the proximity of the lands to natural heritage features within the Greenbelt lands is a critical element for the success of the research program. This location provides a unique opportunity to develop and implement research activities regarding the effects of urban development and the associated stormwater practices in a location somewhat isolated from other direct urban influences which is a requirement for the achievement of the study parameters. This would not be achieved in a similar manner for a location within the Urban Area due to the numerous influences of urban development. This research program requires a location with this combination of natural heritage and open space resources found within the Greenbelt while being proximate to the urban area to achieve the required base flow levels to supply the pond. As also noted previously, this will be a one of a kind facility with the university as the study manager and will provide direct benefits to the Region of Halton, Conservation Authority and the municipalities as well as the Province (MECP).

It is my opinion that this proposed research storm water management facility meets this definition of essential and is a permitted use under the ROP. Due to the unique attributes of this activity and to ensure that the Region granting the permission for this activity within the Greenbelt is not interpreted as a precedent for other requests for storm water management facilities outside of the Urban Area, it is appropriate within the Regional Official Plan Amendment to identify this research storm water management facility as a permitted use on a site specific basis.

Respectfully submitted,



Ruth Victor, RPP MCIP MRTPI

MAY 6, 2022

PROJECT NO: 1622-5749

**SENT VIA EMAIL:
JILL.HOGAN@MILTON.CA**

Town of Milton
150 Mary Street
Milton, ON L9T 6Z5

Attention: Jill Hogan, Commissioner, Development Services

**RE: STORMWATER MANAGEMENT CONCEPT
REGIONAL OFFICIAL PLAN AMENDMENT
MILTON EDUCATION VILLAGE SECONDARY PLAN LANDS**

Dear Jill,

Thank you for the opportunity to provide commentary regarding the proposed stormwater management concept as part of the development of the Milton Education Village ("MEV") Secondary Plan within which the campuses of Laurier and Conestoga will be located. We understand that the Town has filed a Regional Official Plan Amendment ("ROPA") application to allow for Green Infrastructure on defined Greenbelt lands, adjacent to the MEV's urban area, and that you are seeking additional technical guidance and expertise to support the proposed stormwater management concept.

As you are aware, I have been practicing stormwater management in the context of land development in Ontario for over twenty years. During my time as a practicing Water Resources Engineer, I have witnessed limited progress in terms of research, innovation, and deployment of Green Infrastructure for larger scale land developments, such as that proposed across the MEV lands. The fact remains that we continue to design and implement stormwater management measures for large developments based on the 2003 stormwater management guidelines of the Ministry of Environment, Conservation and Parks ("MECP"), despite some advancements and updates to other local stormwater management guidelines. Consequently, I have been working with Laurier and Western on separate federally funded stormwater management research projects across Ontario for the past four years to improve the future of stormwater management in Ontario.

The development of the MEV lands presents a unique opportunity to contribute to the future of stormwater management in Ontario for several reasons that are explained in this letter. First and foremost, the proximity of the development lands to the natural heritage features within the defined Greenbelt lands offers a unique opportunity to develop and implement research activities that study the effects of urban development and associated stormwater management practices in a manner that is isolated from any other material urban developments. This unique isolation is a long-term condition given that the MEV lands are situated at the western edge of the urban boundary of Milton where further urban developments are restricted due to the Greenbelt Plan policies. This isolation affords researchers the ability to test hypothesis and design field-scale experiments related to stormwater management without interference or contamination due to other proximate urban developments, which is the case in other parts of Milton and the GTA that are entirely or almost entirely built-out.

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Development pressures are being experienced in many municipalities across Ontario, especially those surrounding the GTA. These pressures are leading to land development of varying forms in and around natural heritage features and the implementation of Green Infrastructure without a focus on long-term study, innovation, and adaptation. As development pressures continue to intensify, our collective knowledge of the ability of Green Infrastructure to preserve or enhance the function of adjacent natural heritage features must follow suit. In this case where a sophisticated post-secondary campus would exist as a steward of the lands, the intimate location of the stormwater management or Green Infrastructure on the Greenbelt lands between the MEV lands and the protected natural heritage features, truly provides a unique opportunity for advanced study, public education, and innovation towards guiding future development across all of Ontario for decades ahead without compromising the integrity of the Greenbelt lands.

The area proposed for a stormwater management pond within the Greenbelt lands is in fact located within the table lands immediately adjacent to, but outside the local natural heritage features. This offers an intimate setting for research that extends beyond *stormwater management* research and into fields of study such as environmental chemistry, ecology, and botany, among others, where research questions can be posed, evaluated and valuable insights gained for implementation within both existing and proposed communities across Ontario resulting in significant positive implications to the environment province wide. Moreover, the same research could not be facilitated in its rigor at locations far from research and educational institutions.

If the proposed stormwater management pond location was restricted to the limit of the urban boundary, it would eliminate the opportunity to study the delicate interface between built form and associated stormwater management measures with the natural heritage features of the Greenbelt, and further eliminate the possibility of introducing broad research benefits to communities across Ontario.

There are significant gaps in our understanding of the impacts and integration of Green Infrastructure within or adjacent to natural heritage systems where the goals include sustainable development, environmental health, and public education. The water quality and water quantity parameters that could be examined within research facilities such as those proposed as part of the Centre for Urban Watershed Research ("CUWR") are numerous. A sampling of some of the potential future research areas that could address many existing gaps include the following:

- Evaluating long-term impacts of chlorides from controlled urban environments on aquatic ecosystems.
- Long-term adaptation of cold-tolerant wetland plant species within SWM ponds and surrounding natural heritage systems and their impact on the broader environment
- Optimizing SWM pond discharge configurations, forms and functions at the interface of natural heritage systems
- Understanding the role of Green Infrastructure and stormwater management on surface water / groundwater interactions in terms of water quality and quantity and ecosystem health

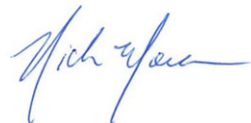
Climate change and its impact on stormwater management and natural heritage features in Ontario is an area that has seen limited research investment. Since we began our stormwater management research with Laurier in 2018, we have experienced a changing climate in such a short period of time, and we have observed first-hand the impacts of deteriorated stormwater outputs to natural heritage systems year-round. The ability for natural heritage systems to adapt to stormwater outputs is not well known, and so again, the intimate setting described above provides a unique opportunity to study the potential benefits of measures such as cold-tolerant wetland plants within stormwater management ponds to improve year-round function of ponds and minimize their impact on adjacent natural heritage features. There are so many other field-scale research opportunities across disciplines which could be deployed to study climate change challenges and solutions, but their effectiveness is dependent upon having sufficient stormwater flow inputs, close access to nature heritage features for discharge of flow outputs, and proximity to research and laboratory facilities for robust examination, all of which are possible with the location of the stormwater management pond on the table lands within the Greenbelt lands, as proposed.

I trust this provides you with an understanding of the technical merits of locating the proposed stormwater management pond for the MEV development onto the Greenbelt lands for the purposes of advancing the future of stormwater management through advanced research, public outreach, and education.

It is my opinion that the opportunity before the Town, Laurier, Conestoga, and many other stakeholders is a unique one that should receive due consideration given so many potential benefits to the environments and residents of Ontario.

Yours truly,

C.F. CROZIER & ASSOCIATES INC.



Nick Mocan, M.Sc., P.Eng.
President

NM/cj

cc Ulrike Gross, Wilfrid Laurier University, ulgross@wlu.ca

I:\1600\1622-Wilfrid Laurier University\5749 - WLU Milton Campus\Letters\2022.05.06_(1622-5749)_SWM Concept MEV.docx



VIA EMAIL

June 27, 2022

Kevin Arjoon, City Clerk, City of Burlington
Meaghan Reid, Town Clerk, Town of Milton
Vicki Tytaneck, Town Clerk, Town of Oakville
Valerie Petryniak, Town Clerk, Town of Halton Hills

Legislative & Planning Services
Department
Office of the Regional Clerk
1151 Bronte Road
Oakville ON L6M 3L1

Please be advised that at its meeting held Wednesday, June 15, 2022, the Council of the Regional Municipality of Halton adopted the following resolution:

RESOLUTION: FN-22-22 - 2022 Debenture Issuance

1. THAT the Director of Legal Services be authorized to prepare the necessary By-laws to issue the debentures as set out in Report No. FN-22-22.
2. THAT the Regional Clerk forward a copy of Report No. FN-22-22 to the City of Burlington, the Town of Milton, and the Town of Oakville.

Included please find a copy of Report No. FN-22-22 for your information.

If you have any questions please contact me at the e-mail address below.

Sincerely,

A handwritten signature in blue ink, appearing to read "G. Milne", written over a light blue circular stamp.

Graham Milne
Regional Clerk
graham.milne@halton.ca

Regional Municipality of Halton

HEAD OFFICE: 1151 Bronte Rd, Oakville, ON L6M 3L1
905-825-6000 | Toll free: 1-866-442-5866

| | |
|------------|---|
| Report To: | Regional Chair and Members of Regional Council |
| From: | Cyndy Winslow, Commissioner, Finance and Regional Treasurer |
| Date: | June 15, 2022 |
| Report No: | FN-22-22 |
| Re: | 2022 Debenture Issuance |

RECOMMENDATION

1. THAT the Director of Legal Services be authorized to prepare the necessary By-laws to issue the debentures as set out in Report No. FN-22-22.
2. THAT the Regional Clerk forward a copy of Report No. FN-22-22 to the City of Burlington, the Town of Milton, and the Town of Oakville.

REPORT

Executive Summary

- Halton Region (“the Region”) facilitates all debenture financing transactions on behalf of the Region and the Local Municipalities.
- On May 27, 2022 Halton Region issued a \$30.592 million 1-10 year serial debenture with an all-in average borrowing rate of 3.531%.

Background

Report No. FN-05-22 re: “Authority to Negotiate and Place a Debenture Issue”, provided authority to the Commissioner of Finance and Regional Treasurer to negotiate a debenture for capital financing on behalf of the local municipalities for an amount not to exceed \$55.5 million. The Region originally planned to issue debt in the first half of 2022 and then again in the fall of 2022 however this has been revised to a single issue in 2022. This debenture negotiation included financing for the City of Burlington, the Town of Milton and the Town of Oakville.

On May 27, 2022 the Region successfully completed a \$30.592 million 1-10 year serial debenture issuance transaction at an all-in average borrowing rate of 3.531%. This

debenture issuance will be completed on June 21, 2022, following Council enactment of the Debenture By-laws on June 15, 2022.

Growth in Canada remains strong and has been aided by the removal of health restrictions. Solid foreign demand for commodities has pushed up prices as many economies around the world expand. Labour markets are tight as businesses look to hire workers. This has increased wage pressures adding to already heightened inflation concerns. Supply constraints, both globally and domestically, are exacerbating input cost increases resulting in businesses increasing final prices to consumers. As a result, CPI inflation is running at levels not seen in decades. The Bank of Canada has embarked on a path of increasing short-term interest rates. This has resulted in significantly higher bond yields across the curve. Regardless, there was solid investor interest for the Region's serial debenture issue, in part due to the Region's AAA credit rating. The Region's last debenture issue was completed in May 2021 for a 1-10 year serial debenture at an average net borrowing cost of 1.826%.

Discussion

As shown below, the total capital funding secured by the recent debenture issuance for the Local Municipalities was \$30.592 million. This is within the amount authorized by Council through Report FN-05-22 re: "Authority to Negotiate and Place a Debenture Issue".

| Municipality | Amount |
|-------------------------|----------------------|
| 1-10 Year Serial | |
| City of Burlington | \$ 13,092,000 |
| Town of Milton | 7,500,000 |
| Town of Oakville | 10,000,000 |
| Total | \$ 30,592,000 |

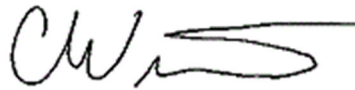
FINANCIAL/PROGRAM IMPLICATIONS

Based on Halton Region's pay-as-you-go financing strategy, the Region's 2022 Budget & Business Plan (excluding Halton Regional Police Service), does not include debenture financing for capital projects in 2022. As outlined in the 2022 Budget and Business Plan, the Region's annual projected debt level is expected to decline over the next 10 years and will remain well within the Region's borrowing capacity.

Respectfully submitted,



Matthew Buist
Director, Capital and Development
Financing



Cyndy Winslow
Commissioner, Finance and Regional
Treasurer

Approved by



Jane MacCaskill
Chief Administrative Officer

If you have any questions on the content of this report,
please contact:

Matthew Buist

Tel. # 7873

Attachments: None



June 30, 2022

| | |
|--|--|
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| Region of Peel | info@peelregion.ca |
| Region of Halton | accesshalton@halton.ca |
| City of Richmond Hill | access@richmondhill.ca |
| City of Vaughn | accessvaughan@vaughan.ca |
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| City of Burlington | city@burlington.ca |
| Town of Milton | info@milton.ca |
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| The Honourable Doug Ford, Premier of Ontario | doug.fordco@pc.ola.org |
| Peter Bethlenfalvy, Minister of Finance | Peter.Bethlenfalvy@pc.ola.org |
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| Stan Cho, Associate Minister of Transportation (GTA) | Stan.Cho@pc.ola.org |
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| Victor Fedeli, Minister of Economic Development, Job Creation and Trade | Vic.Fedeli@pc.ola.org |
| Andrea Horwath, Leader of the Official Opposition and Ontario NDP Party | horwatha-qp@ndp.on.ca |
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| The Honourable Anita Anand, Minister of Defence and M.P. for Oakville | anita.anand@parl.gc.ca |
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| Adam van Koeverden, MP, Milton | adam.vankoeverden@parl.gc.ca |
| Pam Damoff, MP, Oakville North-Burlington | pam.damoff@parl.gc.ca |
| Stephen Crawford, MPP, Oakville | stephen.crawford@pc.ola.org |

June 20, 2022

Subject: Notice of Motion re: GTA West Corridor (Highway 413)

| | |
|--|--|
| Effie Triantafilopoulos, MPP, Oakville North – Burlington | effie.triantafilopoulos@pc.ola.org |
| Natalie Pierre, MPP, Burlington | Natalie.Pierre@pc.ola.org |
| Ted Arnott, MPP, Wellington- Halton Hills | ted.arnott@pc.ola.org |
| Mayor Rob Burton, Oakville | mayor@oakville.ca |
| Sean O'Meara, Regional Councillor Oakville | sean.o'meara@oakville.ca |
| Cathy Duddeck, Regional Councillor Oakville | cathy.duddeck@oakville.ca |
| Dave Gittings, Regional Councillor Oakville | dave.gittings@oakville.ca |
| Allan Elgar, Regional Councillor Oakville | allan.elgar@oakville.ca |
| Jeff Knoll, Regional Councillor Oakville | jeff.knoll@oakville.ca |
| Tom Adams, Regional Councillor Oakville | tom.adams@oakville.ca |
| Pavan Parmar, Regional Councillor Oakville | pavan.parmar@oakville.ca |
| Mayor Marianne Meed-Ward, Burlington | Mayor@burlington.ca |
| Kelvin Galbraith, Regional Councillor Burlington | kelvin.galbraith@burlington.ca |
| Lisa Kearns, Regional Councillor Burlington | lisa.kearns@burlington.ca |
| Rory Nisan, Regional Councillor Burlington | rory.nisan@burlington.ca |
| Shawna Stolte, Regional Councillor Burlington | shawna.stolte@burlington.ca |
| Paul Sherman, Regional Councillor Burlington | paul.sherman@burlington.ca |
| Angelo Bentivegna, Regional Councillor Burlington | angelo.bentivegna@burlington.ca |
| Mayor Gordon Krantz, Milton | executiveservices@milton.ca |
| Colin Best, Regional Councillor Milton | colin.best@milton.ca |
| Rick Malboeuf, Regional Councillor Milton | rick.malboeuf@milton.ca |
| Mike Cluett, Regional Councillor Milton | mike.cluett@milton.ca |
| Zeeshan Hamid, Regional Councillor Milton | zeeshan.hamid@milton.ca |
| Mayor Rick Bonnette, Halton Hills | mayor@haltonhills.ca |
| Clark Somerville, Regional Councillor Halton Hills | clarks@haltonhills.ca |
| Jane Fogal, Regional Councillor Halton Hills Region of Halton | jenefogal@haltonhills.ca |
| City of Burlington | graham.milne@halton.ca |
| Town of Milton | clerks@burlington.ca |
| Town of Halton Hills | townclerk@milton.ca |
| The Right Honourable Justin Trudeau, Prime Minister of Canada | valeriep@haltonhills.ca |
| Chrystia Freeland, Federal Minister of Finance | justin.trudeau@parl.gc.ca |
| Omar Alghabra, Federal Minister of Transport | Chrystia.Freeland@parl.gc.ca |
| Marie Claude Bibeau, Minister of Agriculture and Agri-Food | Omar.Alghabra@parl.gc.ca |
| Melanie Joy, Federal Minister of Economic Development | Marie-Claude.Bibeau@parl.gc.ca |
| Dominic Leblanc, Federal Minister of Infrastructure and Communities | melanie.joy@parl.gc.ca |
| | dominic.leblanc@parl.gc.ca |

June 20, 2022

Subject: Notice of Motion re: GTA West Corridor (Highway 413)

Jonathan Wilkinson, Federal Minister of
Natural Resources

Jonathan.Wilkinson@parl.gc.ca

Steven Guilbeault, Federal Minister of
Environment and Climate Change

Steven.Guilbeault@parl.gc.ca

Wayne Emmerson, Chairman and CEO of
York Region

regional.chair@york.ca

John Mackenzie, CEO of TRCA

John.MacKenzie@trca.ca

Phil Verster, President and CEO of Metrolinx

ceo@metrolinx.com

Subject: Notice of Motion re: GTA West Corridor (Highway 413)

At its meeting on June 20, 2022, Oakville Town Council approved the following resolution with respect to the subject item noted above:

WHEREAS the Province of Ontario initiated an Environment Assessment process in 2007 for the planning and construction of the proposed Highway 413;

WHEREAS the final recommendation of the Stage 1 Provincial Environmental Assessment (2012) was to first put in place the transportation system management components, rapid transit, freight rail improvements and expansion of existing highways prior to construction of a new expressway;

WHEREAS the Stage 2 Environmental Assessment (new expressway) undertaken by the previous provincial government was shelved because of strong objections by an Expert Panel in the fields of rural development, renewable cities, agriculture, environment, and efficient transportation who sounded alarms over predicted irreversible ecological harm caused by the uncontrolled, low density urban sprawl enabled by the Corridor;

WHEREAS the current Provincial Government revived the \$6+ billion Highway 413 proposal in 2018, saying it could relieve congestion issues in the fast-growing Toronto suburbs and boost Ontario's economy;

WHEREAS a significant number of reputable organizations have demanded cancellation of the Highway 413 project, including: Environmental Defense, the David Suzuki Foundation, the Federation of Urban Neighborhoods, Gravel Watch, Halton Environmental Network, National Farmers' Union-Ontario, Rescue Lake Simcoe Coalition, Transport Action Ontario, Greenbelt Council; as well as formal opposition of Councils from the municipalities of Burlington, Halton Hills, Caledon, Orangeville, Vaughan, Brampton, Mississauga, King and the City of Toronto;

WHEREAS the Federal Government has decided to conduct an Impact Assessment study for the proposed Highway 413;

WHEREAS Ontario farming and food processing together employ one million persons and generate over \$35 billion economic benefits annually;

WHEREAS the Greater Golden Horseshoe is the third largest agricultural producer in North America after California and Chicago;

WHEREAS the Province of Ontario is proposing to develop the Highway 413 by razing 809 hectares of pristine farmlands, some of which are Class A and Class B farmlands and many of which will immediately cease to be farmed and other lands which over time will be developed for non-agricultural uses;

WHEREAS the Minister of Agriculture, Food and Rural Affairs has not completed an Agricultural Impact Assessment for the proposed Highway 413;

WHEREAS the proposed Highway 413 will cut across 85 waterways, and destroy protected Greenbelt lands including 7 entire woodlots, 220 important wetlands and valley land features, 10 different species-at-risk and hundreds of acres of vulnerable wildlife habitat;

WHEREAS the Greenbelt Plan's permission for new infrastructure which negatively impacts key natural heritage features, key hydrologic features or key hydrologic areas requires determination that there is "no reasonable alternative" and that this has not been established through a planning process;

WHEREAS the Toronto and Region Conservation Authority (TRCA), which is the regulatory authority for developments in flood plains, wetlands, and valley lands, has also raised concerns about the potential impact of the proposed Highway 413 as well as the streamlined Environmental Assessment process;

WHEREAS the Town of Oakville has declared a climate emergency and approved a Climate Action Plan with a target to be a net zero carbon community by 2050;

WHEREAS responding to the climate emergency requires immediate re-evaluation of all transportation plans as the transportation sector is the highest single source of emissions;

WHEREAS the Province must take immediate measures to decrease GHGs through alternatives such as increasing public transit, including the necessary local public transit networks, to enable broad access to the higher order transit including high speed electric trains;

WHEREAS the Highway 407 was created as a truck by-pass in order to relieve congestion on Highway 401, but the Highway 407 was tolled, thereby limiting the amount of relief provided by the Highway 407;

WHEREAS it is well known that, as new road capacity (lane-km) is constructed, traffic demand grows to fill this capacity by the phenomenon known as “induced demand”, resulting in roads that are as congested as they were prior to the expansion of the road;

WHEREAS several reasonable highway network management alternatives to the proposed Highway 413 exist and were recommended by the Expert Panel, including possible subsidies or congestion pricing that would shift truck traffic to the under-utilized Highway 407;

WHEREAS the proposed Highway 413 will allocate limited Provincial funds to the movement of vehicular traffic instead of much needed transit investments for complete transit-oriented communities;

WHEREAS transit investments and good land use planning decisions are vital to creating complete transit-oriented communities which are economically vibrant, where people and goods are moved seamlessly, and where multiple modes of transportation support the community including a focus on active transportation;

WHEREAS the proposed Highway 413 will lead to greater demand for development with more than 13,350 hectares of Whitebelt lands in the Greater Golden Horseshoe (Caledon and Vaughan) being impacted, leading to greater urban sprawl and development that is not supportive of transit investment;

WHEREAS analysis has shown (<https://ontario.transportation.ca>) that investment in various unfunded rapid transit projects, including GO Transit, 407 Transitway and LRT/BRT projects which can move 4-10 times the number of people as the proposed Highway 413, for the same invested dollars;

WHEREAS the 407 Transitway has been planned for decades but has no approved funding for its construction;

WHEREAS the Town of Oakville has consistently supported development of the transit-oriented communities, to support long term inter-regional transportation solutions and to enhance integration of our existing communities and supported rail integrated communities along both the GO Transit rail lines and the 407 rail transitway;

WHEREAS uncontrolled urban growth threatens these resources and is widely seen to embed unsustainable infrastructure maintenance costs, deepen traffic congestion problems, increase transportation-related emissions of greenhouse gases and smog precursors, and reinforce social divisions;

WHEREAS planning and infrastructure decisions affect the shape of communities for decades, even centuries to come;

WHEREAS Transit Oriented Communities (TOC) positively contribute toward more environmentally friendly and economically sustainable communities, reduce the reliance on car-dependent trips for all members of the community, therefore reducing Vehicle Kilometers Travelled (VKT) and reducing the high costs of auto ownership thus contributing to achieving affordable housing outcomes; and

WHEREAS strategic land-use planning requires public policy that communicates TOCs as integral to a community's long-term vision with supportive official plan and zoning provisions that facilitate density and mixed land use;

THEREFORE BE IT RESOLVED,

THAT Oakville Town Council does not support the proposed Highway 413 at this time;

THAT Oakville Town Council continues to support an integrated GTHA rail transit network which includes high speed rapid rail transit running beside the Highway 407 (407 Transitway);

THAT Oakville Town Council supports a complete Federal Environmental Impact Study pursuant to s.9(1) of the Impact Assessment Act (I.A.A.), prior to any advancement of the proposed Highway 413 project;

THAT Oakville Town Council requests that the Province undertake an economic evaluation and time travel analysis of Highway 407 versus the proposed Highway 413 including the potential for congestion and non-peak hour pricing or other highway management alternatives;

THAT Oakville Town Council requests the Province of Ontario work with 407 International Inc. to devise strategies to increase 407 ETR usage and enforce penalties provided to encourage efforts at congestion relief on the 401 Hwy and all surrounding roads;

THAT the capital cost for the proposed 413 Hwy be re-designated to the expansion of long term, environmentally sustainable rapid transit throughout the GTA;

THAT Oakville Town Council recommends that the Province undertake a comprehensive economic benefits analysis of the potential for TOCs along the 407 Transitway, GO Rail Transit Network and new LRT/BRT lines versus the cost of urban sprawl triggered by the proposed Highway 413;

THAT the Province undertake an integrated review of the Provincial Growth Plan for the Greater Golden Horseshoe and the Metrolinx Regional Transportation Plan to develop a sustainable communities strategy to provide consistent and comprehensive policies for achieving affordable housing near TOC stations. This should include policies to support intensification within the Built-Up Area, particularly within MTSA's and along high frequency (15 minutes or less, peak hour) bus transit;

THAT the Province must also update its affordable housing program to recognize the relationship between housing affordability and transit including the positive role of having housing near rail transit TOC stations to improve the operational efficiency of the Provincial investment in mass rail transit;

THAT Ontarians need serious, transparent, and accountable infrastructure planning processes, based on clear and consistent rules designed to advance the environmental, social, and economic sustainability of their communities; and

THAT a copy of this resolution be provided to the Regions of York, Peel and Halton, the Cities of Richmond Hill, Vaughan, Brampton, Mississauga, Toronto, Burlington and the Towns of Milton, Caledon, and Halton Hills; and

FURTHER THAT this resolution be forwarded to: Doug Ford, Premier of Ontario; Peter Bethlenfalvy, Minister of Finance; Caroline Mulroney, Minister of Transportation; Kinga Surman, Minister of Infrastructure and Transit-Oriented Communities; David Piccini, Minister of Environment and Climate Change; Stan Cho, Associate Minister of Transportation (GTA); Steve Clark, Minister of Municipal Affairs and Housing; Lisa Thompson, Minister of the Agriculture, Food and Rural Affairs; Victor Fedeli, Minister of Economic Development, Job Creation and Trade; Andrea Horwath, Leader of the Official Opposition & Ontario NDP Party; Steven Del Duca, Leader of the Ontario Liberal Party; All Members of Federal Parliament in Halton Region; All Members of Provincial Parliament in Halton; All Members of Halton Regional Council; All Town Clerks in Halton Region; Justin Trudeau, Prime Minister of Canada; Chrystia Freeland, Federal Minister of Finance; Omar Alghabra, Federal Minister of Transport; Marie Claude Bibeau,

June 20, 2022

Subject: Notice of Motion re: GTA West Corridor (Highway 413)

Minister of Agriculture and Agri-Food; Melanie Joly, Federal Minister of Economic Development; Dominic Leblanc, Federal Minister of Infrastructure and Communities; Jonathan Wilkinson, Federal Minister of Natural Resources; Steven Guilbeault, Federal Minister of Environment and Climate Change; Wayne Emmerson, Chairman and CEO, York Region; John Mackenzie, CEO, Toronto And Region Conservation Authority; Phil Verster, President and CEO, Metrolinx.

Should you have any questions regarding this matter or should you require additional information, please contact Vicki Tytaneck, Town Clerk at 905-845-6601, extension 2003, or email vicki.tytaneck@oakville.ca.

Sincerely,



Vicki Tytaneck
Town Clerk



April 28, 2022

Region of Halton
City of Burlington
Town of Milton
Town of Halton Hills
Burlington Hydro Inc.
Halton Hills Hydro Inc.
Milton Hydro Distribution Inc.
Oakville Hydro Electric Distribution Inc.

graham.milne@halton.ca
clerks@burlington.ca
townclerk@milton.ca
valeriep@haltonhills.ca
cservice@burlingtonhydro.com
sknapman@haltonhillshydro.com
customerservice@miltonhydro.com
hydro@oakvillehydro.com

Subject: Halton Digital Access Strategy – 5G Wireless Technology

At its meeting on April 25, 2022, Oakville Town Council approved the following resolution with respect to the subject item noted above:

1. *That the report entitled Halton Digital Access Strategy – 5G wireless technology be received.*
2. *That Council support a region-wide approach for the implementation of 5G technology with the telecommunication companies leveraging municipal assets and accelerating the delivery of 5G wireless infrastructure.*
3. *That staff report back with a delivery and governance framework the associated financial details and a summary of formal agreements in support of the recommended 5G deployment model.*
4. *That the Town Clerk forward a copy of this report to the City of Burlington, the Town of Halton Hills, the Town of Milton, Halton Region, Burlington Hydro Inc., Halton Hills Hydro Inc., Milton Hydro Distribution Inc. and Oakville Hydro Electric Distribution Inc. for their information.*

The link to the staff report can be found [here](#). Appendix A can be found [here](#).

Should you have any questions regarding this matter or should you require additional information, please contact Neil Garbe, Commissioner of Community Development at 905-845-6601, extension 2271, or email neil.garbe@oakville.ca

Sincerely,

Vicki Tytaneck
Town Clerk



MISSISSAUGA

RESOLUTION 0144-2022
adopted by the Council of
The Corporation of the City of Mississauga
at its meeting on July 6, 2022

0144-2022

Moved by: P. Mullin

Seconded by: C. Parrish

Whereas the Ontario AMBER Alert is a warning system that quickly alerts the public of a suspected abduction of children who are in imminent danger;

Whereas the goal is to broadcast as much information about the child, the abductor and suspect vehicles as quickly as possible so the public can respond with any relevant information that might lead to the child's safe return;

Whereas people are encouraged to share the AMBER Alert with as many people as possible. If a child or vulnerable person is abducted, spreading the information quickly is critical to their safe return;

Whereas an AMBER Alert makes the public aware to keep an eye out for the child, vulnerable person, suspect and the vehicle described in the alert. If they spot them, try to gather as many details as they can, including the specific location where they saw them, the time, the direction they were travelling in and any other identifying details that will help to locate them;

Whereas an AMBER Alert gives citizen's instructions to call 9-1-1 or the phone number included in the alert immediately if they have a tip or a sighting related to an AMBER Alert.

Whereas an AMBER Alert will only be activated if the police have confirmed that an abduction has taken place; and the victim is a child or a person of proven physical or mental disability; and, there is reason to believe the victim is in danger of serious physical injury, and there is information available that, if broadcast to the public, could assist in the safe recovery of the victim.

Whereas it is essential to remember that an AMBER Alert is not always appropriate in every circumstance and that their continued effectiveness depends on ensuring that they are only used in cases that meet the above criteria;

Whereas the recent tragic death of 11-year-old Draven Graham showed that the AMBER Alert system is flawed when it comes to vulnerable children who can go missing but are not abducted;

And whereas it is clear that there needs to be an addition to the alert system to allow for law enforcement to send out an alert for vulnerable children who go missing under circumstances that do not involve an abduction but are at serious risk of injury or death;

Therefore be it resolved that the Council of the City of Mississauga endorse the following;

1. That the Minister of the Solicitor General and the Commissioner of the Ontario Provincial Police, as well as the Premier's Office, be requested to make the necessary changes to the AMBER alert system and create a new alert called the Draven Alert, which will protect vulnerable children who have not been abducted but are at high risk of danger, injury or death and alert the public that they are missing.
2. That this motion be sent to all municipalities across Ontario and the Association of Municipalities Ontario (AMO) for endorsement.

| Recorded Vote | YES | NO | ABSENT | ABSTAIN |
|------------------------|------------|-----------|---------------|----------------|
| Mayor B. Crombie | X | | | |
| Councillor S. Dasko | X | | | |
| Councillor P. Mullin | X | | | |
| Councillor C. Fonseca | X | | | |
| Councillor J. Kovac | X | | | |
| Councillor C. Parrish | X | | | |
| Councillor R. Starr | | | X | |
| Councillor D. Damerla | X | | | |
| Councillor M. Mahoney | | | X | |
| Councillor P. Saito | X | | | |
| Councillor S. McFadden | X | | | |
| Councillor G. Carlson | x | | | |

Carried (10-0-2-Absent)



BONFIELD TOWNSHIP OFFICE OF THE DEPUTY CLERK

365 HIGHWAY 531

BONFIELD ON P0H 1E0

Telephone: 705-776-2641 Fax: 705-776-1154

Website: <http://www.bonfieldtownship.com>

Email: deputyclerk@bonfieldtownship.com

RESOLUTION OF COUNCIL

July 12th, 2022

No. 4

Moved by Councillor Corbett

Seconded by Councillor Vaillancourt

WHEREAS the Ontario Amber Alert is a warning system that quickly alerts the public of a suspected abduction of children who are in imminent danger; **AND WHEREAS** the goal is to broadcast as much information about the child, the abductor and suspect vehicles as quickly as possible so that the public can respond with any relevant information that might lead to the child's safe return; **AND WHEREAS** people are encouraged to share the Amber Alert with as many people as possible. If a child or vulnerable person is abducted, spreading the information quickly is critical to their safe return; **AND WHEREAS** an Amber Alert makes the Public aware to keep an eye out for the child, vulnerable person, suspect and the vehicle described, in the alert. If they spot them, try to gather as many details as they can, including the specific location where they saw them, the time, the direction they were travelling in and any other identifying details that will help to locate them; **AND WHEREAS** an Amber Alert gives citizens instructions to call 9-1-1 or the phone number included in the alert immediately if they have a trip or a sighting related to an Amber Alert;

An Amber Alert will only be activated if:

- The police have confirmed that an abduction has taken place; and
- There is reason to believe the victim is in danger of serious physical injury, and there is information available that, if broadcast to the public, could assist in the safe recovery of the victim.

AND WHEREAS it is essential to remember that an Amber Alert is not always appropriate in every circumstance and that their continued effectiveness depends on ensuring that they are only used in cases that meet the above criteria; **AND WHEREAS** the recent tragic death of 11-year-old Draven Graham showed that the Amber Alert system is flawed when it comes to vulnerable children who can go missing but are not abducted; **AND WHEREAS** at the time this motion was written, there have been almost 90,000 citizens who had signed a petition on Change.Org requesting that a Draven Alert be created; **AND WHEREAS** it is clear that there needs to be an addition to the alert system to allow for law enforcement to send out an alert for vulnerable children who go missing under circumstances that do not involve an abduction but are at serious risk of injury or death; **THEREFORE** be it resolved that the Township of Bonfield and its Council endorse the following:

1. That the Minister of the Solicitor General and the Commissioner of the Ontario Provincial Police, as well as the Premier's Office, be requested to make the necessary changes to the Amber Alert system and create a new alert called the Draven Alert, which will protect vulnerable children who have not been abducted but are at high risk of danger, injury or death and alert the public that they are missing.
2. That this motion be sent to all municipalities across Ontario and the Association of the Municipalities of Ontario (AMO) for endorsement.

Carried Randall McLaren

DIVISION VOTE

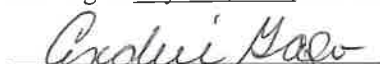
FOR

AGAINST

Declaration of Pecuniary Interest/Conflict of Interest

Declared interest, abstained from discussion, and did not vote on the question.

CERTIFIED to be a true copy of Resolution No. 4 of the Township of Bonfield's Regular Council Meeting of July 12th, 2022, and which Resolution is in full force and effect.


Andrée Gagné
Deputy Clerk-Treasurer

July 13th, 2022

The Honourable Doug Ford
Premier of Ontario
Minister of Intergovernmental Affairs
Premier's Office
Room 281
Legislative Building, Queen's Park
Toronto, ON M7A 1A1

Via Email: doug.fordco@pc.ola.ca

Dear Premier Ford:

RE: Letter of Support – The County of Hastings and The Municipality of Brighton – Expanding the Amber Alert System

Please be advised that, at its meeting on June 12th, 2022, the Council of the Municipality of Shuniah resolved to support the resolution adopted June 30th, 2022 by the County of Hastings, and the resolution adopted June 20th, 2022 by the Municipality of Brighton.

A copy of the above noted resolution is enclosed for your reference and consideration.

Yours truly,



Kerry Bellamy
Clerk
KB/jk

Cc:

Hon. Michael Kernzer, Solicitor General of Ontario
Mr. Thomas Carrique, Commissioner of the OPP
Hon. Patty Hajdu, MP Thunder Bay Superior North
Hon. Marcus Powlowski, MP Thunder Bay Rainy River
Hon. Lise Vaugeois, MPP Thunder Bay Superior North
Hon. Kevin Holland, MPP Thunder Bay-Atikokan
Association of Municipalities of Ontario
All Ontario Municipalities



COUNCIL RESOLUTION

Resolution No.: 247-22

Date: Jul 12, 2022

Moved By: *D. Burt*

Seconded By: *D. Burt*

THAT Council hereby supports the resolution from the County of Hastings and Municipality of Brighton regarding the request to make the necessary changes to the Amber Alert System and create a new alert called the Draven Alert, which will protect those persons of special needs or circumstances who leave the caregivers or locations and potentially put themselves at risk;

AND THAT the Clerk be directed to forward a copy of this resolution to Premier Doug Ford; Solicitor General of Ontario Michael Kernzer; Commissioner of the Ontario Provincial Police Thomas Carrique; local MP's Patty Hajdu and Marcus Polowski and local MPP's Lise Vaugois and Kevin Holland; the Association of Municipalities of Ontario (AMO) and to all municipalities in Ontario.

☒ Carried

☐ Defeated

☐ Amended

☐ Deferred

Wendy Larche
Signature

Municipality of Shuniah, 420 Leslie Avenue, Thunder Bay, Ontario, P7A 1X8

August 19th, 2022

The Right Honourable Justin Trudeau, P.C., M.P.
Prime Minister of Canada
80 Wellington St
Ottawa, ON K1A 0A2
Via Email: justin.trudeau@parl.gc.ca

The Honourable Karina Gould, P.C., M.P.
Minister of Families, Children, and Social Development
House of Commons
Ottawa, ON K1A 0A6
Via Email: Karina.Gould@parl.gc.ca

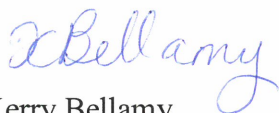
Dear Prime Minister Trudeau and Minister Gould:

RE: Letter of Support – The Town of Aurora – Bill C-233 “Keira’s Law”

Please be advised that at its meeting on August 9th, 2022, the Council of the Municipality of Shuniah resolved to support the resolution adopted May 24th, 2022 by the Town of Aurora.

A copy of the above noted resolution is enclosed for your reference and consideration.

Yours truly,



Kerry Bellamy
Clerk
KB/jk

Cc:

Hon. Candice Bergen, M.P., Interim Leader of the Conservative Party of Canada
Jagmeet Singh, M.P., Leader of the New Democratic Party of Canada
Yves-François Blanchet, M.P., Leader of the Bloc Québécois
Hon. Patty Hajdu, MP Thunder Bay Superior North
Marcus Powlowski, MP Thunder Bay Rainy River
Lise Vaugeois, MPP Thunder Bay Superior North
Kevin Holland, MPP Thunder Bay-Atikokan
Federation of Canadian Municipalities (FCM)
All Ontario Municipalities



COUNCIL RESOLUTION

Resolution No.: 272-22

Date: Aug 9, 2022

Moved By: _____

Seconded By: _____

THAT Council receive and support the resolution from the Town of Aurora regarding supporting bill C-233 "Keira's Law";

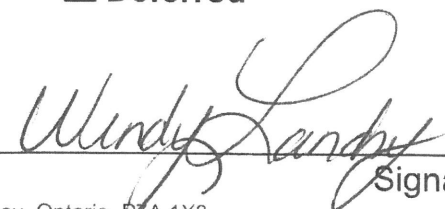
AND THAT Council direct the Clerk to forward a copy of this resolution to The Right Honourable Justin Trudeau, Prime Minister of Canada; The Honourable Karina Gould, Minister of Families, Children and Social Development; The Honourable Candice Bergen, Interim Leader of the Conservative Party of Canada; Yves-Francois Blanchet, MP, Leader of the Bloc Quebecois; Jagmeet Singh, MP, Leader of the New Democratic Party; MP's Patty Hajdu and Marcus Polowski and MPP's Lise Vaugeois and Kevin Holland; and the Federation of Canadian Municipalities (FCM) and all Ontario Municipalities.

☒ Carried

☐ Defeated

☐ Amended

☐ Deferred


Signature

Municipality of Shuniah, 420 Leslie Avenue, Thunder Bay, Ontario, P7A 1X8

June 30th, 2022

Federation of Canadian Municipalities (FCM)
Association of Municipalities of Ontario (AMO)

Via Email

To Whom it may concern,

RE: Letter of Support – The Corporation of the City of Brantford - 5.1 Release of all Federal and Provincial Documents Related to the Former Mohawk Institute Residential School

Please be advised that, at its meeting on June 28th, 2022, the Council of the Municipality of Shuniah resolved to support the resolution adopted May 17, 2022 by The Corporation of the City of Brantford.

A copy of the above noted resolution is enclosed for your reference and consideration.

We kindly request your support and endorsement for the release of all Federal and Provincial document related to the Former Mohawk Institute Residential School.

Yours truly,



Kerry Bellamy
Clerk
KB/jk

Cc:

Right Hon. Justin Trudeau, Prime Minister of Canada
Hon. Doug Ford, Premier of Ontario
Hon. Marc Miller, Minister of Crown-Indigenous Relations
Hon. Patty Hajdu, Minister of Indigenous Services and MP
Hon. Greg Rickford, Minister of Indigenous Affairs
The Most Rev. Linda Nicholls, Primate of the Anglican Church of Canada
Hon. Kevin Holland, MPP Thunder Bay-Atikokan
Hon. Lise Vaugeois, MPP Thunder Bay Superior North
The Survivors Secretariat
All municipalities in Ontario



Municipality of
SHUNIAH

COUNCIL RESOLUTION

Resolution No.: 231-22

Date: Jun 28, 2022

Moved By: Donna Blunt

Seconded By: [Signature]

THAT Council hereby supports the resolution from the City of Brandtford regarding the Release of all Federal and Provincial Documents Related to the Former Mohawk Institute Residential School; and

BE IT RESOLVED:

THAT the Clerk be directed to forward a copy of this resolution to: Prime Minister Justin Trudeau; Premier Doug Ford; Minister of Crown-Indigenous Relations Marc Miller; Minister of Indigenous Services and MP Patty Hajdu; Minister of Indigenous Affairs Greg Rickford; Primate of the Anglican Church of Canada Linda Nicholls; MPP Kevin Holland, MPP Lise Vaugeois; the Survivors' Secretariat; the Federation of Canadian Municipalities (FCM); the Association of Municipalities of Ontario (AMO) and to all municipalities in Ontario with an invitation to adopt a similar resolution.



Carried



Defeated



Amended

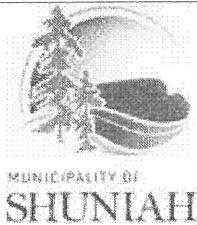


Deferred

[Signature]

Signature

Municipality of Shuniah, 420 Leslie Avenue, Thunder Bay, Ontario, P7A 1X8



COUNCIL RESOLUTION

Resolution No.: 174-22

Date: May 24, 2022

Moved By: MEGHAN CHOMUT

Seconded By: DON SMITH

THAT Council hereby receives the Community Schools Alliance Action Plan and Social and Economic Impact for Small Communities in Ontario Study;

WHEREAS all students should have the opportunity to attend elementary and secondary school in their home community;

THEREFORE, BE IT RESOLVED THAT:

1. The province increase the Rural and Northern Education Fund (RNEF) to \$50 million;
2. Should the current moratorium on accommodation reviews and school closures be lifted, we ask that the moratorium remain in place for schools that qualify for the RNEF until a thorough review of the education funding formula is completed;
3. Before templates required by the 2018 Pupil Accommodation Review Guide (PARG) are developed, there be consultation with school boards and community groups including the Community Schools Alliance.

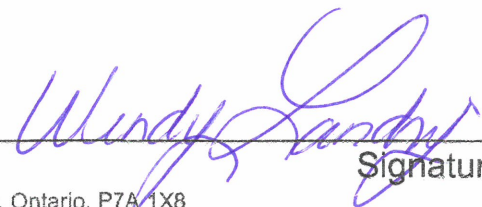
AND FURTHER THAT a copy of this resolution be forwarded to Ontario municipalities, Community Schools Alliance, local MP's and MPP's and the Premier of Ontario.

☒ Carried

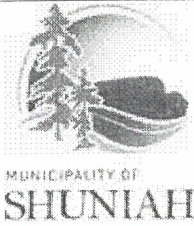
☐ Defeated

☐ Amended

☐ Deferred


Signature

Municipality of Shuniah, 420 Leslie Avenue, Thunder Bay, Ontario, P7A 1X8



COUNCIL RESOLUTION

Resolution No.: 173-22

Date: May 24, 2022

Moved By: RON GIARDETTI

Seconded By: MEGHAN CHOMUT

THAT Council hereby supports the resolution from the Town of East Hawkesbury for the Funding Support for Infrastructure Projects - Bridge and Culvert Replacements in Rural Municipalities; and

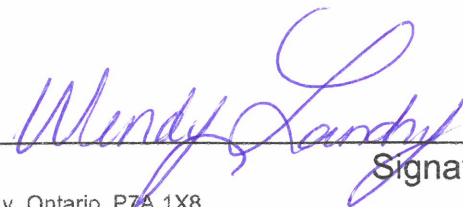
BE IT RESOLVED that a copy of this resolution be forwarded to Ontario municipalities, AMO, Premier of Ontario, Provincial Minister of Finance.

☒ Carried

☐ Defeated

☐ Amended

☐ Deferred


Signature

Municipality of Shuniah, 420 Leslie Avenue, Thunder Bay, Ontario, P7A 1X8



The TOWNSHIP of
NORTH DUMFRIES

2958 Greenfield Road
PO Box 1060
Ayr, ON N0B 1E0

July 15, 2022

RE: Resolution received from the City of Cambridge, regarding Ontario Must Build it Right the First Time

This letter is to advise you that Township Council, at their Council Meeting held on June 27, 2022 adopted the following resolution:

"THAT Township Council support the resolution from the City of Cambridge, regarding Ontario Must Build it Right the First Time:

AND THAT this motion be forwarded to the Ministry of Municipal Affairs and Housing and all municipalities in Ontario."

Please contact the undersigned should you require anything further.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ashley Sage".

Ashley Sage, Clerk
Township of North Dumfries

Encl.

**The Corporation of the City of Cambridge
Corporate Services Department
Clerk's Division
The City of Cambridge
50 Dickson Street, P.O. Box 669
Cambridge ON N1R 5W8
Tel: (519) 740-4680 ext. 4585
mantond@cambridge.ca**

June 1, 2022

Re: Motion from Councillor Liggett – Ontario Must Build it Right the First Time

At the Special Council Meeting of May 31, 2022, the Council of the Corporation of the City of Cambridge passed the following Motion:

WHEREAS the Province of Ontario adopted greenhouse gas reduction targets of 30% by 2030, and emissions from buildings represented 22% of the province's 2017 emissions,

WHEREAS all Waterloo Region municipalities, including the City of Cambridge, adopted greenhouse gas reduction targets of 80% below 2012 levels by 2050 and endorsed in principle a 50% reduction by 2030 interim target with the support of bold and immediate provincial and federal actions,

WHEREAS greenhouse gas emissions from buildings represent 45% of all emissions in Waterloo Region, and an important strategy in the TransformWR community climate action strategy, adopted by all Councils in Waterloo Region, targets new buildings to be net-zero carbon or able to transition to net-zero carbon using region-wide building standards and building capacity and expertise of building operators, property managers, and in the design and construction sector,

WHEREAS the draft National Model Building Code proposes energy performance tiers for new buildings and a pathway to requiring net zero ready construction in new buildings, allowing the building industry, skilled trades, and suppliers to adapt on a predictable and reasonable timeline while encouraging innovation;

WHEREAS the Ministry of Municipal Affairs and Housing consulted on changes for the next edition of the Ontario Building Code (ERO #: 019-4974) that generally aligns with the draft National Model Building Code except it does not propose adopting energy performance tiers, it does not propose timelines for increasing minimum energy performance standards step-by-

step to the highest energy performance tier, and, according to Efficiency Canada and The Atmospheric Fund, it proposes adopting minimum energy performance standards that do not materially improve on the requirements in the current Ontario Building code;

WHEREAS energy efficient buildings provide owners and occupants with lower energy bills, improved building comfort, and resilience from power disruptions that are expected to be more common in a changing climate, tackling both inequality and energy poverty;

WHEREAS the City of Cambridge in partnership with area municipalities and utility companies in the Region of Waterloo are actively exploring developing Green Building Standards;

WHEREAS while expensive retrofits of the current building stock to achieve future net zero requirements could be aligned with end-of-life replacement cycles to be more cost-efficient, new buildings that are not constructed to be net zero ready will require substantial retrofits before end-of-life replacement cycles at significantly more cost, making it more cost-efficient to build it right the first time.

THEREFORE BE IT RESOLVED THAT Council request the Province of Ontario to include in the next edition of the Ontario Building Code tiered energy efficiency standards and a timeframe for when higher tiers would become the minimum energy efficiency requirements in the Code, consistent with the draft Tiered National Model Building Code;

THAT Council request the Province of Ontario to adopt a more ambitious tier of the draft Tiered National Model Building Code as a minimum energy efficiency requirement than the tiers currently proposed for the next edition of the Ontario Building Code;

THAT Council request the Province of Ontario provide authority to municipalities to require increased performance in energy efficiency through the implementation of tiered Green Development Standards;

THAT Council request the Province of Ontario to facilitate capacity, education and training in the implementation of the Tiered National Model Building Code for municipal planning and building inspection staff, developers, and homebuilders to help build capacity; and

AND FUTHER THAT this resolution be provided to the Minister of Municipal Affairs and Housing, to area MPPs, and to all Ontario Municipalities.

Should you have any questions related to the approved resolution, please contact me.

Yours Truly,



Danielle Manton
City Clerk

Cc: (via email)
Hon. Premier Ford
Ontario Minister of Health, Christine Elliot
Association of Municipalities of Ontario
City of Cambridge Council



**THE CORPORATION OF THE
TOWNSHIP OF MATACHEWAN**

June 28, 2022

Premier Doug Ford
Premier of Ontario
Legislative Building
Queen's Park
Toronto ON M7A 1A1

Dear Premier Ford:

At the meeting held on June 15, 2022, the Council of the Corporation of the Township of Matachewan passed Resolution 2022-148 supporting the inclusion of the mailing addresses of voters on voter's lists provided to candidates.

A copy of Resolution 2022-148 is attached. Your consideration and support of this resolution would be greatly appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read "Barbara Knauth", is written over a circular stamp that is partially visible.

Barbara Knauth
Deputy Clerk

:bk

cc: Ontario Municipalities
Steven Clark – Ministry of Municipal Affairs and Housing
Canadian Civil Liberties Association

P.O. Box 177, Matachewan, ON P0K 1M0
deputyclerktreasurer@matachewan.ca
www.matachewan.com

Phone: 705-565-2274
Fax: 705-565-2564



THE CORPORATION OF THE TOWNSHIP OF MATACHEWAN

P.O. Box 177, Matachewan, Ontario P0K 1M0

DATE: June 15, 2022

RESOLUTION #: 2022-148

Moved by:

Seconded by:

Sharon Dubé
Janet Gore

WHEREAS it is in the best interest of good government and the democratic process that all Ontarians have access to candidate information during the upcoming municipal elections; and,

WHEREAS the clerks of some municipalities do not supply the mailing addresses of voters on the voters list to candidates, thereby limiting the access of voters who have mailing addresses outside the municipality to candidate information, effectively disenfranchising them;

BE IT RESOLVED THAT the Council of the Corporation of the Township of Matachewan expresses its support for the inclusion of the mailing addresses of voters on voter's lists provided to candidates;

AND THAT a copy of this resolution be sent to all municipalities in Ontario to ask for their support;

AND THAT a copy of this resolution be sent to the Premier of Ontario and the Minister of Municipal Affairs and Housing;

AND THAT a copy of this resolution be sent to the Canadian Civil Liberties Association

| | | COUNCILLOR | YEA | NAY | PID |
|----------|---|---------------------------------|-----|-----|-----|
| CARRIED | ✓ | Ms. A. Commando-Dubé Mayor | | | |
| AMENDED | | Mr. N. Costello Deputy Mayor | | | |
| DEFEATED | | Mr. G. Dubé Councillor | | | |
| TABLED | | Mr. M. Young Councillor | | | |
| | | Mrs. S. Dubé Councillor | | | |

Certified to be a true
copy of the original.

Sharon Dubé

Anne Commando-Dubé

Anne Commando-Dubé
Mayor

Janet Gore

Janet Gore
Clerk

The Corporation of the
MUNICIPALITY OF TWEED

255 Metcalf St., Postal Bag 729
Tweed, ON K0K 3J0
Tel.: (613) 478-2535
Fax: (613) 478-6457



Email: info@tweed.ca
Website: www.tweed.ca
facebook.com/tweedontario

July 4, 2022

Ministry of Agriculture, Food and Rural Affairs
1 Stone Road West
Guelph, ON N1G 4Y2

Dear Minister:

Re: Ontario Wildlife Damage Compensation Program

We are writing to you today on behalf of our municipality regarding the administration fees related to wildlife damage claims. This program is necessary to protect our farm producers from the devastating losses incurred when they lose livestock to predators.

At the June 28, 2022 Regular Council Meeting the attached Resolution was passed by Council.

Our Council's concern is the administration fee paid to municipalities to administer the program on the Ministry's behalf which was recently increased from \$30.00 per claim to \$50.00 per claim.

We have recently contracted for a new Livestock Investigator resulting in the following costs directly related to wildlife claims:

Hourly Rate: \$25.00/hour
Mileage Rate: .50/km

On the most recent invoice for this service there were three wildlife claims with costs as follows:

1. April 28, 2022 – 3 hours + mileage = \$95.00
2. May 5, 2022 – 2.5 hours + mileage = \$75.00
3. May 8, 2022 – 3.5 hours + mileage = \$120.00

There is also time spent by municipal staff in preparing the wildlife claims for submission and monitoring the claims for payment to the livestock owner.

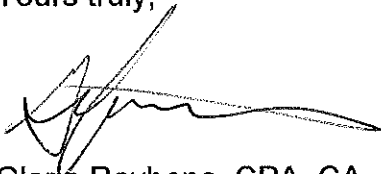
This results in a loss on each wildlife claim for our taxpayers to bear to be able to provide this necessary service to our farm producers.

Ministry of Agriculture, Food and Rural Affairs
Page 2
July 4, 2022

We respectfully request that the Ministry consider increasing the administration fee on wildlife claims to help offset the increasing costs associated with Livestock Investigation.

We look forward to hearing from you about this matter at your earliest convenience.

Yours truly,

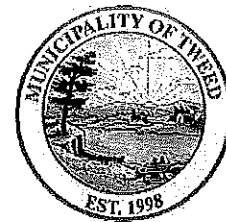
A handwritten signature in black ink, appearing to read 'Gloria Raybone', with a long, sweeping horizontal stroke extending to the right.

Gloria Raybone, CPA, CA
CAO/Treasurer

Encl.

cc. Association of Municipalities of Ontario
Ontario Municipalities

**Municipality of Tweed Council Meeting
Council Meeting**



Resolution No.

442.

Title:

Ministry of Agriculture, Food and Rural Affairs

Date:

Tuesday, June 28, 2022

Moved by

Brian Treanor

Seconded by

Jacob Palmateer

WHEREAS the Ontario Ministry of Agriculture, Food and Rural Affairs administers the Ontario Wildlife Damage Compensation Program to provide compensation to farm producers for livestock killed by wildlife;

AND WHEREAS Ontario Municipalities administer the Program on behalf of OMAFRA by appointing a Livestock Investigator and staff to work on wildlife damage claims;

AND WHEREAS the costs associated with wildlife damage claims typically exceed the administration fee of \$50.00 per claim as provided to the Municipality by OMAFRA;

NOW THEREFORE BE IT RESOLVED THAT the Council of the Municipality of Tweed request the Ministry of Agriculture, Food and Rural Affairs to review the administration fee provided to

Municipalities for the administration of the Ontario Wildlife Damage Compensation Program:

AND FURTHER, that this Resolution be circulated to the Association of Municipalities of Ontario (AMO) and all Ontario Municipalities for their consideration and support.

Carried

Mayor

J. Albert

CLERK'S DEPARTMENT

June 28, 2022

Honourable Doug Ford
Premier of Ontario
Legislative Building
Queen's Park
Toronto, ON
M7A 1A1

Dear Premier Ford:

Re: Summary and Implications of Provincial Bill 109: More Homes for Everyone Act, 2022

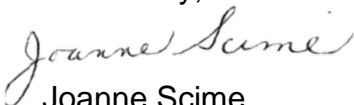
This correspondence is to confirm that on June 27, 2022, West Lincoln Township Council adopted the following resolution regarding the Summary and Implications of Provincial Bill 109: More Homes for Everyone Act, 2022

That, the correspondence from the Town of East Gwillimbury, dated June 15, 2022, requesting the Government of Ontario to revisit the provisions of Bill 109 and work with all stakeholders, including municipalities represented by the Association of Municipalities of Ontario to deliver legislation that allows municipalities to plan, grow and deliver communities that adhere to local, provincially-approved Official Plans, rather than strict statutory timelines; be received and supported; and,

That, a copy of this Motion be sent to the Honourable Doug Ford, Premier of Ontario, MPP Caroline Mulroney, the Minister of Municipal Affairs and Housing, Regional Chairs in Ontario, the Association of Municipalities of Ontario (AMO) and all Ontario municipalities

If any further information is required, please contact the undersigned at 905-957-5136.

Yours truly,


Joanne Scime
Clerk

cc. The Honourable Steve Clark, Minister of Municipal Affairs and Housing
The Honourable Caroline Mulroney, MPP York-Simcoe
Regional Chairs in Ontario
AMO
All Ontario Municipalities

May 31, 2022

Delivered by email
sylvia.jones@ontario.ca

The Honourable Sylvia Jones
Solicitor General of Ontario
Ministry of the Solicitor General
25 Grosvenor Street, 18th Floor
Toronto, ON M7A 1Y6

Dear Solicitor General Jones:

Re: Town of Aurora Council Resolution of May 24, 2022
Motion 10.3 - Councillor Thompson; Re: Mandatory Firefighter Certification

Please be advised that this matter was considered by Council at its meeting held on May 24, 2022, and in this regard, Council adopted the following resolution:

Whereas municipal governments provide essential services to the residents and businesses in their communities; and

Whereas the introduction of new provincial policies and programs can have an impact on municipalities; and

Whereas municipal governments are generally supportive of efforts to modernize and enhance the volunteer and full-time fire services that serve Ontario communities; and

Whereas the Association of Municipalities of Ontario (AMO) believes in principle that fire certification is a step in the right direction, it has not endorsed the draft regulations regarding firefighter certification presented by the Province; and

Whereas municipalities and AMO are concerned the thirty-day consultation period was insufficient to fully understand the effects such regulations will have on municipal governments and their fire services; and

Whereas fire chiefs have advised that the Ontario firefighter certification process will create additional training and new costs pressures on fire services; and

Whereas the Ontario government has not provided any indication they will offer some form of financial support to deliver this service; and

Whereas AMO, on behalf of municipal governments, in a letter to Solicitor General Jones dated February 25, 2022, made numerous comments and requests to address the shortcomings in the draft regulations;

- 1. Now Therefore Be It Hereby Resolved That the Town of Aurora does hereby support AMO's recommendations; and**
- 2. Be It Further Resolved That the Town of Aurora does hereby call on the Solicitor General of Ontario to work with AMO, municipal governments and fire chiefs across Ontario to address the concerns raised so that municipalities can continue to offer high quality services to their communities; and**
- 3. Be It Further Resolved That a copy of this Motion be sent to the Association of Municipalities of Ontario (AMO), the Ontario Small Urban Municipalities (OSUM), and all Ontario municipalities for their consideration.**

The above is for your consideration and any attention deemed necessary.

Yours sincerely,



Michael de Rond
Town Clerk
The Corporation of the Town of Aurora

MdR/lb

Copy: Association of Municipalities of Ontario (AMO)
Ontario Small Urban Municipalities (OSUM)
All Ontario municipalities

May 25, 2022

CL 10-2022, May 19, 2022

DISTRIBUTION LIST

SENT ELECTRONICALLY

Re: Motion - Voluntary Russian Sanction Request

Whereas Russia's unprovoked and brazen invasion of the sovereign nation of Ukraine has been unequivocally condemned by the majority of the free world, including by those living and working in Niagara;

Whereas the death and destruction caused by Russia's senseless invasion will have a lasting impact on the innocent and independent citizens of Ukraine;

Whereas Russia has placed sanctions on many Canadian premiers, mayors, journalists, military officials as well as senior staff in the federal government, "indefinitely" banning these individuals from entering Russia;

Whereas those Russian sanctions include Toronto Mayor John Tory and Ottawa Mayor Jim Watson;

Whereas the residents and businesses of Niagara stand in solidarity with the people of Ukraine and the proud Ukrainian-Canadian community who call our region home;

Whereas Niagara Region continues to be a willing host to those Ukrainian citizens fleeing their homeland during this challenging time, providing support through the Region's Community Services Department as well as number of other local agencies;

Whereas silence may be interpreted as complicity; and

Whereas any sanctions placed on Niagara's elected officials be considered wholly ineffective and be received as a demonstration of Niagara's steadfast commitment to support Ukraine during this time.

NOW THEREFORE BE IT RESOLVED:

1. That Niagara Regional Council unequivocally **DENOUNCES** Russia's unjustifiable invasion of the sovereign nation of Ukraine;

2. That Niagara Regional Council **SUPPORTS** all of the sanctions that the Federal Government of Canada has thus far imposed on Russia;
3. That any Regional Councillor who wishes to be voluntarily sanctioned **INDICATE** their support by advising the Regional Chair's Office by phone or email by no later than Friday, May 20 at 4:30 p.m.;
4. That the Regional Chair **BE DIRECTED** to send correspondence to the Consulate General of the Russian Federation with the names of the Regional Councillors who have indicated their support to be voluntarily sanctioned, resulting in their "indefinite" ban from entering Russia;
5. That the Regional Clerk **BE DIRECTED** to circulate this motion to Niagara's 12 local councils, local area MPs, MPPs, AMO, and FCM; and
6. That this motion **BE FORWARDED** to all other municipalities in Ontario, requesting they consider enacting similar measures in order to present a united front and support the citizens of Ukraine.

Yours truly,



Ann-Marie Norio
Regional Clerk
CLK-C 2022-079

Distribution List

Local Area Councils

Chris Bittle, Member of Parliament, St. Catharines
Vance Badawey, Member of Parliament, Niagara Centre
Tony Baldinelli, Member of Parliament, Niagara Falls
Dean Allison, Member of Parliament, Niagara West
Jennie Stevens, Member of Provincial Parliament, St. Catharines
Jeff Burch, Member of Provincial Parliament, Niagara Centre
Wayne Gates, Member of Provincial Parliament, Niagara Falls
Sam Oosterhoff, Member of Provincial Parliament, Niagara West
Association of Municipalities Ontario
Federation of Canadian Municipalities
All Ontario Municipalities



PROCLAMATION

SEPTEMBER 2022

CHILDHOOD CANCER CANADA AWARENESS MONTH

WHEREAS Childhood Cancer Canada is asking cities all across Canada to make a Proclamation for Childhood Cancer Awareness month in September; and

AND WHEREAS cancer is the leading cause of death by disease of Canadian children and 1 in 5 children will not survive beyond 5 years after diagnosis. With approximately 1,500 children and youth diagnosed each year, it is a cause close to the hearts of many Canadian families; and

AND WHEREAS Childhood Cancer Canada, supports children and their families through a variety of programs and support such as the Emergency fund, Empower Packs, Survivorship Scholarships, the Benevolent Fund, and more; and

AND WHEREAS the foundation has been the primary charitable funding partner of clinical trials and childhood cancer research for C17 Council, comprised of Canada's leading pediatric oncologists and hematologists; and

AND WHEREAS Childhood Cancer Canada also funds sequencing of hard-to-cure childhood cancers through the PROFYLE program to identify new therapies that are tailored to each patient and to improve the outcomes in hard to cure childhood cancers.

NOW THEREFORE, I, Mayor Rick Bonnette of the Town of Halton Hills, do hereby proclaim **September 2022** as **Childhood Cancer Canada Awareness Month** in the Town of Halton Hills and encourage support for this proclamation.

A handwritten signature in blue ink that reads "Rick Bonnette". The signature is written in a cursive style with a horizontal line underneath it.

Rick Bonnette
Mayor, Town of Halton Hills



PROCLAMATION

OCTOBER 18, 2022

22ND ANNUAL CHILD CARE WORKER & EARLY CHILDHOOD EDUCATOR APPRECIATION DAY

WHEREAS years of research confirms the benefits of high-quality early learning and child care for young children's intellectual, emotional, social and physical development and later life outcomes; and

WHEREAS child care promotes the well-being of children and responds to the needs of families and the broader community by supporting quality of life so that citizens can fully participate in and contribute to the economic and social life of their community; and

WHEREAS trained and knowledgeable Registered Early Childhood Educators and child care staff are the key to quality in early learning and child care programs;

WHEREAS Registered Early Childhood Educators and child care workers will be vital to the success of the Canada-Wide Early Learning and Child Care system;

THEREFORE, BE IT RESOLVED that October 18, 2022 be designated the 22nd annual "Child Care Worker & Early Childhood Educator Appreciation Day" in recognition of the education, dedication and commitment of child care workers to children, their families and quality of life of the community.

A handwritten signature in black ink, reading "Rick Bonnette". The signature is written in a cursive style with a horizontal line underneath the name.

Rick Bonnette
Mayor, Town of Halton Hills